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DRAFT RED HERRING PROSPECTUS
Dated March 29, 2023
(The Draft Red Herring Prospectus will be updated upon filing with the RoC)
Please read section 32 of the Companies Act, 2013
100% Book Built Offer

UPDATER SERVICES LIMITED

Corporate Identity Number: U74140TN2003PLC051955

REGISTERED AND CORPORATE OFFICE	CONTACT PERSON	EMAIL AND TELEPHONE	WEBSITE
No. 2/302-A, UDS Salai, Off Old Mahabalipuram Road, Thoraipakkam, Chennai 600 097, Tamil Nadu, India **Telephone:** +91 44 24963234 / 0333	**Ravishankar B** *Company Secretary and Compliance Officer*	**Email:** compliance.officer@uds.in **Telephone:** +91 +91 44 24963234 / 0333	www.uds.in

NAME OF THE PROMOTERS OF OUR COMPANY: RAGHUNANDANA TANGIRALA AND SHANTHI TANGIRALA

DETAILS OF THE OFFER

TYPE	SIZE OF FRESH ISSUE	SIZE OF OFFER FOR SALE	TOTAL OFFER SIZE	ELIGIBILITY – 6(1) / 6(2) & SHARE RESERVATION AMONG QIBS, NIIS & RIBS
Fresh Issue and Offer for Sale	Up to [●] Equity Shares aggregating up to ₹ 4,000.00 million	Up to 13,300,000 Equity Shares aggregating up to ₹ [●] million	Up to [●] Equity Shares aggregating up to ₹ [●] million	The Offer is being made pursuant to Regulation 6(1) of the SEBI ICDR Regulations. For details of share reservation among QIBs, NIIs and RIBs, see, "*Offer Structure*" on page 584.

DETAILS OF THE OFFER FOR SALE BY SELLING SHAREHOLDERS

NAME OF SELLING SHAREHOLDER	TYPE	NUMBER OF SHARES OFFERED/ AMOUNT (₹ IN MILLION)	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE ON A FULLY DILUTED BASIS (IN ₹)*
Tangi Facility Solutions Private Limited	Promoter Group	Up to 6,650,000 Equity Shares aggregating up to ₹ [●] million	46.92
India Business Excellence Fund – II	Other	Up to 1,330,000 Equity Shares aggregating up to ₹ [●] million	110.76
India Business Excellence Fund – IIA	Other	Up to 5,320,000 Equity Shares aggregating up to ₹ [●] million	110.76

RISKS IN RELATION TO THE FIRST OFFER

This being the first public offer of Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹ 10 each. The Floor Price, Cap Price and Offer Price determined by our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers, in accordance with the SEBI ICDR Regulations, and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under "*Basis for the Offer Price*" on page 128, should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "*Risk Factors*" on page 34.

ISSUER'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Further, each of the Selling Shareholders severally, and not jointly, accepts responsibility for and confirms only the statements specifically made or undertaken by such Selling Shareholder in this Draft Red Herring Prospectus solely in relation to itself and its respective portion of the Offered Shares, and assumes responsibility that such statements are true and correct in all material respects and are not misleading in any material respect.

LISTING

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**", and together with BSE, the "**Stock Exchanges**"). For the purposes of the Offer, [●] is the Designated Stock Exchange.

BOOK RUNNING LEAD MANAGERS

NAME OF BRLM AND LOGO	CONTACT PERSON	EMAIL AND TELEPHONE
IIFL Securities Limited	Mukesh Garg / Pawan Jain	**Email:** uds.ipo@iiflcap.com **Telephone:** +91 22 4646 4728
Motilal Oswal Investment Advisors Limited****	Ritu Sharma	**Email:** uds.ipo@motilaloswal.com **Telephone:** +91 22 7193 4380
SBI Capital Markets Limited	Janardhan Wagle / Krithika Shetty	**Email:** uds.ipo@sbicaps.com **Telephone:** +91 22 4006 9807

REGISTRAR TO THE OFFER

NAME OF REGISTRAR	CONTACT PERSON	EMAIL AND TELEPHONE
Link Intime India Private Limited	Shanti Gopalkrishnan	**Email**: uds.ipo@linkintime.co.in **Telephone**: +91 810 811 4949

BID/OFFER PROGRAMME

ANCHOR INVESTOR BIDDING DATE	[●]**	BID/OFFER OPENS ON	[●]	BID/OFFER CLOSES ON	[●]***

* *As certified by Lodha & Co, Chartered Accountants, by way of their certificate dated March 29, 2023.*

** *Our Company and the Selling Shareholders, in consultation with the BRLMs, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid / Offer Opening Date.*

*** *Our Company and the Selling Shareholders, in consultation with the BRLMs, may consider closing the Bid / Offer Period for QIBs one Working Day prior to the Bid / Offer Closing Date in accordance with the SEBI ICDR Regulations.*

**** *In compliance with the proviso to Regulation 21A(1) and explanation (iii) to Regulation 21A(1) of the SEBI (Merchant Bankers) Regulations, 1992, Motilal Oswal Investment Advisors Limited will be involved only in the marketing of the Offer. Motilal Oswal Investment Advisors Limited has signed the due diligence certificate and has been disclosed as a BRLM to the Offer.*

UPDATER SERVICES LIMITED

Our Company was incorporated in Chennai, Tamil Nadu as 'Updater Services Private Limited' pursuant to a certificate of incorporation dated November 13, 2003 issued by the RoC, upon the conversion of 'Updater Services', a partnership firm, into a private limited company, in accordance with the provisions of Part IX of the Companies Act, 1956. Thereafter, our Company was converted from a private limited company to a public limited company, pursuant to a resolution passed in the extraordinary general meeting of our Shareholders held on February 22, 2022, and consequently, the name of our Company was changed to 'Updater Services Limited', and a fresh certificate of incorporation dated March 24, 2022 was issued to our Company by the RoC. For further details of change in the name and registered and corporate office of our Company, see "*History and Certain Corporate Matters*" on page 233.

Corporate Identity Number: U74140TN2003PLC051955

Registered and Corporate Office: No. 2/302-A, UDS Salai, Off Old Mahabalipuram Road, Thoraipakkam, Chennai 600 097, Tamil Nadu, India

Website: www.uds.in; **Telephone:** +91 44 24963234 / 0333;

Contact Person: Ravishankar B, Company Secretary and Compliance Officer; **E-mail:** compliance.officer@uds.in

THE PROMOTERS OF OUR COMPANY ARE RAGHUNANDANA TANGIRALA AND SHANTHI TANGIRALA

INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF UPDATER SERVICES LIMITED ("OUR COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) ("OFFER PRICE") AGGREGATING UP TO ₹ [●] MILLION (THE "OFFER"). THE OFFER COMPRISES OF A FRESH ISSUE OF UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 4,000.00 MILLION ("FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 13,300,000 EQUITY SHARES ("OFFERED SHARES") AGGREGATING UP TO ₹ [●] MILLION ("OFFER FOR SALE"), COMPRISING UP TO 6,650,000 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY TANGI FACILITY SOLUTIONS PRIVATE LIMITED (THE "PROMOTER GROUP SELLING SHAREHOLDER"), UP TO 1,330,000 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY INDIA BUSINESS EXCELLENCE FUND – II AND UP TO 5,320,000 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY INDIA BUSINESS EXCELLENCE FUND – IIA (TOGETHER, THE "INVESTOR SELLING SHAREHOLDERS", AND ALONG WITH THE PROMOTER GROUP SELLING SHAREHOLDER, THE "SELLING SHAREHOLDERS"). THE OFFER WILL CONSTITUTE [●]% OF OUR POST-OFFER PAID-UP EQUITY SHARE CAPITAL. THE OFFER PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES.

OUR COMPANY, IN CONSULTATION WITH THE BRLMS, MAY CONSIDER A PRE-IPO PLACEMENT OF UP TO [●] EQUITY SHARES OR ANY OTHER SECURITIES OF THE COMPANY AS MAY BE PERMISSIBLE, THROUGH A PREFERENTIAL ISSUE OR ANY OTHER METHOD AS MAY BE PERMITTED IN ACCORDANCE WITH APPLICABLE LAW, TO ANY PERSON(S), FOR CASH CONSIDERATION AGGREGATING UP TO ₹ 800.00 MILLION, AT ITS DISCRETION, PRIOR TO FILING OF THE RED HERRING PROSPECTUS WITH THE ROC ("PRE-IPO PLACEMENT"). IF THE PRE-IPO PLACEMENT IS COMPLETED, THE FRESH ISSUE SIZE WILL BE REDUCED TO THE EXTENT OF SUCH PRE-IPO PLACEMENT, SUBJECT TO THE OFFER COMPLYING WITH RULE 19(2)(B) OF THE SECURITIES CONTRACTS (REGULATION) RULES, 1957, AS AMENDED ("SCRR").

THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY AND THE SELLING SHAREHOLDERS, IN CONSULTATION WITH THE BRLMS, AND WILL BE ADVERTISED IN [●] EDITIONS OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER), [●] EDITIONS OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER) AND [●] EDITIONS OF [●] (A WIDELY CIRCULATED TAMIL DAILY NEWSPAPER, TAMIL BEING THE REGIONAL LANGUAGE OF TAMIL NADU WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID / OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO BSE LIMITED ("BSE") AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE", AND TOGETHER WITH BSE, THE "STOCK EXCHANGES") FOR UPLOADING ON THEIR RESPECTIVE WEBSITES IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS").

In case of any revision in the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days after such revision in the Price Band, subject to the Bid/Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company and the Selling Shareholders may, in consultation with the BRLMs, for reasons to be recorded in writing, extend the Bid /Offer Period for a minimum of three Working Days, subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the respective websites of the BRLMs and at the terminals of the members of the Syndicate and by intimation to Designated Intermediaries and the Sponsor Banks, as applicable.

This Offer is being made through the Book Building Process, in terms of Rule 19(2)(b) of the SCRR read with Regulation 31 of the SEBI ICDR Regulations and in compliance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Offer shall be allocated on a proportionate basis to Qualified Institutional Buyers ("**QIBs**" and such portion the "**QIB Portion**"), provided that our Company, in consultation with the Book Running Lead Managers, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("**Anchor Investor Portion**"), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion (other than the Anchor Investor Portion) (the "**Net QIB Portion**"). Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders (out of which (i) one third shall be reserved for applicants with application size of more than ₹ 0.20 million and up to ₹ 1.00 million, and (ii) two-thirds shall be reserved for applicants with application size of more than ₹ 1.00 million, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders), and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid bids being received at or above the Offer Price. All Bidders, other than the Anchor Investors, are mandatorily required to participate in this Offer only through an Application Supported by Blocked Amount ("**ASBA**") process by providing details of their respective ASBA Account (as defined hereinafter) and UPI ID in case of UPI Bidders (as defined hereinafter), as applicable, pursuant to which their corresponding Bid Amounts will be blocked by the Self Certified Syndicate Banks ("**SCSBs**") or by the Sponsor Bank(s) under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For details, please see the section entitled "*Offer Procedure*" on page 587.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public offer of Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹ 10. The Offer Price, Floor Price or the Cap Price (determined by our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers, in accordance with the SEBI ICDR Regulations, and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process as stated in "*Basis for the Offer Price*" on page 128), should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "*Risk Factors*" on page 34.

ISSUER'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Further, each of the Selling Shareholders severally, and not jointly, accepts responsibility for and confirms only the statements specifically made or undertaken by such Selling Shareholder in this Draft Red Herring Prospectus solely in relation to itself and its respective portion of the Offered Shares, and assumes responsibility that such statements are true and correct in all material respects and are not misleading in any material respect.

LISTING

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received 'in-principle' approvals from BSE and NSE for listing of the Equity Shares pursuant to letters dated [●] and [●], respectively. For the purposes of the Offer, [●] is the Designated Stock Exchange. A copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Sections 26(4) and 32 of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus until the Bid/Offer Closing Date, see "*Material Contracts and Documents for Inspection*" on page 650.

BOOK RUNNING LEAD MANAGERS			REGISTRAR TO THE OFFER
IIFL Securities Limited 10th Floor, IIFL Centre Kamala City, Senapati Bapat Marg Lower Parel (West), Mumbai 400 013 Maharashtra, India **Telephone:** +91 22 4646 4728 **E-mail:** uds.ipo@iiflcap.com **Website:** www.iiflcap.com **Investor grievance e-mail:** ig.ib@iiflcap.com **Contact person:** Mukesh Garg / Pawan Jain **SEBI registration number:** INM000010940	**Motilal Oswal Investment Advisors Limited***** Motilal Oswal Tower, Rahimtullah Sayani Road Opposite Parel ST Depot Prabhadevi Mumbai 400 025 Maharashtra, India **Telephone**: +91 22 7193 4380 **E-mail**: uds.ipo@motilaloswal.com **Website**: www.motilaloswalgroup.com **Investor grievance e-mail**: moiaplredressal@motilaloswal.com **Contact person**: Ritu Sharma **SEBI registration number**: INM000011005	**SBI Capital Markets Limited** 202, Maker Tower 'E' Cuffe Parade Mumbai 400 005 Maharashtra, India **Telephone**: +91 22 4006 9807 **E-mail**: uds.ipo@sbicaps.com **Website**: www.sbicaps.com **Investor grievance e-mail**: investor.relations@sbicaps.com **Contact person**: Janardhan Wagle / Krithika Shetty **SEBI registration number**: INM000003531	**Link Intime India Private Limited** C-101, 247 Park 1st Floor, L.B.S. Marg Vikhroli (West), Mumbai 400 083 Maharashtra, India **Telephone**: +91 810 811 4949 **E-mail**: uds.ipo@linkintime.co.in **Website**: www.linkintime.co.in **Investor grievance e-mail**: uds.ipo@linkintime.co.in **Contact person**: Shanti Gopalkrishnan **SEBI registration number**: INR000004058

BID/OFFER PROGRAMME

BID/OFFER OPENS ON	[●]*	BID/OFFER CLOSES ON	[●]**

* *Our Company and the Selling Shareholders, in consultation with the BRLMs, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid / Offer Opening Date.*

** *Our Company and the Selling Shareholders, in consultation with the BRLMs, may consider closing the Bid / Offer Period for QIBs one Working Day prior to the Bid / Offer Closing Date in accordance with the SEBI ICDR Regulations.*

****In compliance with the proviso to Regulation 21A(1) and explanation (iii) to Regulation 21A(1) of the SEBI (Merchant Bankers) Regulations, 1992, Motilal Oswal Investment Advisors Limited will be involved only in the marketing of the Offer. Motilal Oswal Investment Advisors Limited has signed the due diligence certificate and has been disclosed as a BRLM to the Offer.*

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates, implies or requires, or unless otherwise specified, shall have the meaning as provided below, and references to any legislation, act, regulation, rule, guideline or policy shall be to such legislation, act, regulation, rule, guideline or policy unless the context otherwise requires, be deemed to include all amendments, modifications and replacements notified thereto, as of the date of this Draft Red Herring Prospectus and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

The words and expressions used in this Draft Red Herring Prospectus but not defined herein, shall have, to the extent applicable, the meanings ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder.

Notwithstanding the foregoing, terms in "Basis for the Offer Price", "Statement of Special Tax Benefits", "Industry Overview", "Key Regulations and Policies", "Financial Information", "Other Financial Information", "Outstanding Litigation and Other Material Developments", "Offer Procedure" and "Main Provisions of the Articles of Association" on pages 128, 137, 161, 228, 277, 493, 552, 587 and 611, respectively, will have the meaning ascribed to such terms in those respective sections.

General terms

Term	Description
our Company / the Company / the Issuer	Updater Services Limited, a public limited company incorporated under the Companies Act, 1956 and having its Registered and Corporate Office at No. 2/302-A, UDS Salai, off Old Mahabalipuram Road, Thoraipakkam, Chennai 600 097, Tamil Nadu, India
we / us / our	Unless the context otherwise indicates or implies, refers to our Company and our Subsidiaries (to the extent applicable), on a consolidated basis

Company and Selling Shareholders' related terms

Term	Description
AoA / Articles of Association / Articles	The articles of association of our Company, as amended from time to time
Audit Committee	The audit committee of our Company, described in "*Our Management – Corporate Governance*" on page 260
Auditors / Statutory Auditors	The current statutory auditors of our Company, namely S. R. Batliboi & Associates LLP
Athena	Athena BPO Private Limited
Avon	Avon Solutions & Logistics Private Limited
Board / Board of Directors	The board of directors of our Company, as constituted from time to time
Chief Financial Officer / CFO	Chief financial officer of our Company, namely Balaji Swaminathan
Company Secretary and Compliance Officer	Company secretary and compliance officer of our Company, namely Ravishankar B
Corporate Social Responsibility Committee	The corporate social responsibility committee of our Company, described in "*Our Management – Corporate Governance*" on page 260
Denave	Denave India Private Limited
Denave Europe	Denave Europe Limited
Denave Malaysia	Denave (M) SDN. BHD
Denave Poland	Denave sp. Z.o.o
Denave Singapore	Denave PTE. LTD
Director(s)	The director(s) on our Board
Equity Shares	The equity shares of our Company bearing face value of ₹ 10 each
ESOP Schemes	The ESOP schemes instituted by our Company namely, Updater Employee Stock Option Plan 2019, Updater Employee Stock Option Plan 2022 and Updater Employee Stock Option Plan 2022 (Second)
Executive Director(s)	Executive director(s) of our Company
Fusion Foods	Fusion Foods & Catering Private Limited
F&S Report	Industry Report titled "*Assessment of Integrated Facilities Management Market in India*" dated March 27, 2023, which is exclusively prepared for the purpose of the Offer and issued by Frost and Sullivan and is commissioned and paid for by our Company. The F&S

Term	Description
	Report will be available on the website of our Company at www.Uds.in/Investor-Relations/Industry_Report until the Bid / Offer Closing Date.
Global Flight Handling	Global Flight Handling Services Private Limited
Global Flight Handling Patna	Global Flight Handling Services (Patna) Private Limited
Global Flight Handling Pune	Global Flight Handling Services (Pune) Private Limited
Global Flight Handling Raipur	Global Flight Handling Services (Raipur) Private Limited
Global Flight Handling Surat	Global Flight Handling Services (Surat) Private Limited; and
Global Flight Handling Vizag	Global Flight Handling Services (Vizag) Private Limited.
Group Companies	The group companies of our Company in accordance with the SEBI ICDR Regulations. For details, see "*Our Group Companies*" on page 274
Independent Chartered Accountant	Lodha & Co, Chartered Accountants
Independent Director(s)	Non-executive, independent director(s) of our Company. For further details of our Independent Directors, see "*Our Management*" on page 254
Integrated Technical Staffing and Solutions	Integrated Technical Staffing and Solutions Private Limited
Investment Agreement	The investment agreement dated January 19, 2017 between India Business Excellence Fund – II, India Business Excellence Fund – IIA, Raghunandana Tangirala, Shanthi Tangirala, Tangi Facility Solutions Private Limited and our Company, as amended from time to time
Investors / Investor Selling Shareholders	Collectively, India Business Excellence Fund – II and India Business Excellence Fund – IIA
IPO Committee	The IPO committee of the board of directors of our Company, comprising of Raghunandana Tangirala, Pondicherry Chidambaram Balasubramanian, and Amitabh Jaipuria
Key Managerial Personnel / KMP	Key managerial personnel of our Company in terms of Section 2(51) of the Companies Act, 2013 and as further described in "*Our Management – Key Managerial Personnel*" on page 267
Managing Director	The managing director of our Company, namely Raghunandana Tangirala
Materiality Policy	The materiality policy of our Company adopted by our Board on March 4, 2023, for identification of material (a) outstanding litigation proceedings involving our Company, Subsidiaries, Promoters and Directors; (b) group companies; and (c) material creditors, pursuant to the requirements of the SEBI ICDR Regulations and for the purposes of disclosure in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus
Matrix	Matrix Business Services India Private Limited
MoA / Memorandum of Association	The memorandum of association of our Company, as amended from time to time
Nomination and Remuneration Committee	The nomination and remuneration committee of our Company, described in "*Our Management – Corporate Governance*" on page 260
Non-Executive Director	Non-executive, non-independent director of our Company. For further details of our Non-Executive Director, see "*Our Management*" on page 254
Proforma Financial Information	The unaudited proforma consolidated financial information of our Company comprising the unaudited proforma consolidated combined balance sheet as at September 30, 2022, and March 31, 2022, unaudited proforma consolidated combined statement of profits and losses for the six months ended September 30, 2022 and for the Financial Year ended March 31, 2022, read with the notes to the unaudited consolidated combined proforma financial information. The unaudited proforma consolidated combined balance sheet has been compiled by our Company to illustrate the impact of the acquisition of Athena BPO Private Limited made after the date of latest consolidated financial statements of our Company i.e., September 30, 2022, on our Restated Consolidated Financial Information as of March 31, 2022 as if the acquisition happened on March 31, 2022, and as of September 30, 2022 as if the acquisition happened on September 30, 2022, and to illustrate the impact of the acquisition on our restated consolidated statement of profit and loss for the Financial Year ended March 31, 2022 and for the six months period ended September 30, 2022, as if the acquisition occurred on April 1, 2021 and April 1, 2022, respectively
Promoter Group	Persons and entities constituting the promoter group of our Company, pursuant to Regulation 2(1)(pp) of the SEBI ICDR Regulations and as disclosed in "*Our Promoters and Promoter Group*" on page
Promoter(s)	The Promoters of our Company, namely Raghunandana Tangirala and Shanthi Tangirala. For details, see "*Our Promoters and Promoter Group*" on page 271
Promoter Group Selling Shareholder	Tangi Facility Solutions Private Limited

Term	Description
Registered and Corporate Office / Registered Office / Corporate Office	The registered and corporate office of our Company, situated at No. 2/302-A, UDS Salai, off Old Mahabalipuram Road, Thoraipakkam, Chennai 600 097, Tamil Nadu, India
Restated Consolidated Financial Information	Our restated consolidated financial information as at and for the six months period ended September 30, 2022 and the Financial Years ended March 31, 2022, March 31, 2021 and March 31, 2020, comprising the restated consolidated summary statement of assets and liabilities as at September 30, 2022, and as at Financial Years ended March 31, 2022, March 31, 2021 and March 31, 2020, restated consolidated summary statements of profit and loss (including Other Comprehensive Income), and restated consolidated summary cash flow statements and restated consolidated summary statements of changes in equity for the six months period ended September 30, 2022 prepared in accordance with Ind AS 34 and for the Financial Years ended March 31, 2022, March 31, 2021 and March 31, 2020, the consolidated summary statement of notes and other explanatory information derived from our audited consolidated financial statements as at and for the six months period ended September 30, 2022 and from our audited consolidated financial statements as at and for the Financial Years ended March 31, 2022, March 31, 2021 and March 31, 2020, prepared in accordance with Ind AS and restated by the Company in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, relevant provisions of the SEBI ICDR Regulations, and the Guidance Note on Reports on Company Prospectuses (Revised 2019) issued by the ICAI
Risk Management Committee	The risk management committee of our Company, described in "*Our Management – Corporate Governance*" on page 260
RoC / Registrar of Companies	The Registrar of Companies, Tamil Nadu at Chennai
Selling Shareholders	Collectively, the Promoter Group Selling Shareholder and the Investor Selling Shareholders
Senior Management	Senior management of our Company in terms of Regulation 2(1)(bbb) of the SEBI ICDR Regulations and as further described in "*Our Management – Senior Management*" on page 268
SHA	Shareholders' agreement dated January 19, 2017 executed by and among the India Business Excellence Fund - II, India Business Excellence Fund – IIA, our Company and our Promoters, as amended by the amendment agreement dated March 27, 2023
Shareholders	The holders of the Equity Shares from time to time
Stakeholders' Relationship Committee	The stakeholders' relationship committee of our Company, described in "*Our Management – Corporate Governance*" on page 260
Stanworth	Stanworth Management Private Limited
Subsidiaries	Our subsidiaries as on the date of this Draft Red Herring Prospectus namely, Avon Solutions & Logistics Private Limited, Athena BPO Private Limited, Athena Call Centre Services Private Limited, Denave India Private Limited, Denave Europe Limited, Denave (M) SDN. BHD, Denave sp. Z.o.o , Denave PTE. LTD, Fusion Foods & Catering Private Limited, Global Flight Handling Services Private Limited, Global Flight Handling Services (Patna) Private Limited, Global Flight Handling Services (Pune) Private Limited, Global Flight Handling Services (Raipur) Private Limited, Global Flight Handling Services (Surat) Private Limited, Global Flight Handling Services (Vizag) Private Limited, Integrated Technical Staffing and Solutions Private Limited, Matrix Business Services India Private Limited, Stanworth Management Private Limited, Tangy Supplies and Solutions Private Limited, Updater Services (UDS) Foundation, Washroom Hygiene Concepts Private Limited and Wynwy Technologies Private Limited. However, for the purpose of financial information and Restated Consolidated Financial Information, subsidiaries would mean subsidiaries as at and during the relevant financial year / period. For further details, see "*Our Subsidiaries, Associate and Joint Ventures*" on page 241
Tangy	Tangy Supplies and Solutions Private Limited
UDS Foundation	Updater Services (UDS) Foundation
Washroom Hygiene Concepts	Washroom Hygiene Concepts Private Limited
Wynwy	Wynwy Technologies Private Limited

Offer-related Terms

Term	Description
Acknowledgement Slip	The slip or document issued by a Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form

Term	Description
Allot / Allotment / Allotted	Unless the context otherwise requires, the allotment of the Equity Shares pursuant to the Fresh Issue and transfer of the Offered Shares pursuant to the Offer for Sale to the successful Bidders
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Anchor Investor(s)	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus who has Bid for an amount of at least ₹100 million
Anchor Investor Allocation Price	The price at which the Offered Shares will be allocated to Anchor Investors in terms of the Red Herring Prospectus, which will be decided by our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers, during the Anchor Investor Bidding Date
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus
Anchor Investor Bidding Date	The day, being one Working Day prior to the Bid / Offer Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the Book Running Lead Managers will not accept any Bids from Anchor Investors, and allocation to Anchor Investors shall be completed
Anchor Investor Offer Price	Final price at which the Equity Shares will be Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers, to Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price in accordance with the SEBI ICDR Regulations
Anchor Investor Pay-in Date	With respect to Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Offer Price, not later than two Working Days after the Bid / Offer Closing Date
Application Supported by Blocked Amount / ASBA	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorize an SCSB to block the Bid Amount in the ASBA Account and will include applications made by UPI Bidders using the UPI Mechanism where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by UPI Bidders using the UPI Mechanism
ASBA Account	A bank account maintained by ASBA Bidders with an SCSB and specified in the ASBA Form submitted by such ASBA Bidder in which funds will be blocked by such SCSB to the extent of the Bid Amount specified in the ASBA Form submitted by such ASBA Bidder and includes a bank account maintained by a UPI Bidder linked to a UPI ID, which will be blocked by the SCSB upon acceptance of the UPI Mandate Request in relation to a Bid by a UPI Bidder Bidding through the UPI Mechanism
ASBA Bidders	All Bidders except Anchor Investors
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders, to submit Bids through the ASBA process, which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Banker(s) to the Offer	Collectively, the Escrow Collection Bank(s), Refund Bank(s), Sponsor Banks and Public Offer Account Bank(s)
Basis of Allotment	Basis on which Equity Shares will be Allotted to successful Bidders under the Offer, as described in "*Offer Procedure*" on page 128
Bid	An indication to make an offer during the Bid / Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bidding Date by an Anchor Investor pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares of our Company at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations, in terms of the Red Herring Prospectus and the Bid cum Application Form. The term "**Bidding**" shall be construed accordingly
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidders, as the case maybe, upon submission of the Bid in the Offer, as applicable.

Term	Description
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Bid / Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being [●], which shall be published in [●] editions of [●] (a widely circulated English national daily newspaper) [●] editions of [●] (a widely circulated Hindi national daily newspaper), and [●] editions of [●] (a widely circulated Tamil daily newspaper, Tamil being the regional language of Tamil Nadu where our Registered Office is located). In case of any revisions, the extended Bid / Offer Closing Date will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the websites of the Book Running Lead Managers and at the terminals of the members of the Syndicate, as required under the SEBI ICDR Regulations and communicated to the Designated Intermediaries and the Sponsor Banks, which shall also be notified in an advertisement in the same newspapers in which the Bid/Offer Opening Date was published, as required under the SEBI ICDR Regulations. Our Company and Selling Shareholders, in consultation with the Book Running Lead Managers, may decide to close the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations, which shall also be notified by advertisement in the same newspapers where the Bid/ Offer Opening Date was published, in accordance with the SEBI ICDR Regulations
Bid / Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, being [●], which shall be published in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper), and [●] editions of [●] (a widely circulated Tamil daily newspaper, Tamil being the regional language of Tamil Nadu where our Registered Office is located)
Bid / Offer Period	Except in relation to Anchor Investors, the period between the Bid / Offer Opening Date and the Bid / Offer Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof, in accordance with the SEBI ICDR Regulations. Provided that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors Our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers, may decide to close the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations, which shall also be notified by advertisement in the same newspapers where the Bid/ Offer Opening Date was published, in accordance with the SEBI ICDR Regulations
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor
Bidding Centres	Centres at which the Designated Intermediaries shall accept the ASBA Forms, i.e., Designated SCSB Branches for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Book Building Process	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made
Book Running Lead Managers / BRLMs	The book running lead managers to the Offer namely, IIFL Securities Limited, Motilal Oswal Investment Advisors Limited* and SBI Capital Markets Limited * *In compliance with the proviso to Regulation 21A(1) and explanation (iii) to Regulation 21A(1) of the SEBI (Merchant Bankers) Regulations, 1992, Motilal Oswal Investment Advisors Limited will be involved only in the marketing of the Offer. Motilal Oswal Investment Advisors Limited has signed the due diligence certificate and has been disclosed as a BRLM to the Offer.*
Broker Centres	Broker centres notified by the Stock Exchanges where Bidders can submit the ASBA Forms to a Registered Broker and in case of UPI Bidders only ASBA Forms with UPI. The details of such Broker Centres, along with the names and contact details of the Registered Broker are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), and updated from time to time
CAN/ Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, on / after the Anchor Investor Bidding Date

Term	Description
Cap Price	The higher end of the Price Band, above which the Offer Price and the Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted including any revisions thereof. The Cap Price shall not be more than 120% of the Floor Price, provided that the Cap Price shall be at least 105% of the Floor Price
Cash Escrow and Sponsor Banks Agreement	Agreement to be entered into by our Company, the Selling Shareholders, the Registrar to the Offer, the Book Running Lead Managers, Syndicate Members and the Banker(s) to the Offer for *inter alia* the appointment of the Sponsor Banks in accordance with the UPI Circulars, the collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Offer Account(s) and where applicable, refunds of the amounts collected from Bidders, on the terms and conditions thereof
Client ID	Client identification number maintained with one of the Depositories in relation to demat account
Collecting Depository Participant(s) / CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of the circular issued by SEBI bearing no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the UPI Circulars issued by SEBI, and as per the list available on the websites of BSE and NSE, as updated from time to time
Cut-off Price	Offer Price, finalised by our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers, which shall be any price within the Price Band Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs, including Anchor Investors, and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price
Demographic Details	Details of the Bidders including the Bidder's address, name of the Bidder's father / husband, investor status, occupation and bank account details and UPI ID, where applicable
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com) and updated from time to time
Designated Date	The date on which funds are transferred from the Escrow Account(s) and the amounts blocked are transferred from the ASBA Accounts, as the case may be, to the Public Offer Account(s) or the Refund Account(s), as appropriate, in terms of the Red Herring Prospectus and the Prospectus, after the finalisation of the Basis of Allotment in consultation with the Designated Stock Exchange in terms of the Red Herring Prospectus, following which the Board of Directors may Allot Equity Shares to successful Bidders in the Offer
Designated Intermediaries	In relation to ASBA Forms submitted by RIBs (not using the UPI Mechanism) by authorising an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Bidders using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, Sub-Syndicate / agents, Registered Brokers, CDPs, SCSBs and RTAs. In relation to ASBA Forms submitted by QIBs and Non-Institutional Bidders (not using the UPI Mechanism), Designated Intermediaries shall mean Syndicate, Sub-Syndicate / agents, SCSBs, Registered Brokers, the CDPs and RTAs
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs and in case of UPI Bidders only ASBA Forms with UPI. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com) and updated from time to time
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time, or at such other website as may be prescribed by SEBI from time to time
Designated Stock Exchange	[●]
Draft Red Herring Prospectus / DRHP	This draft red herring prospectus dated March 29, 2023 issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the Offer, including the price at which the Equity Shares will be Allotted and the size of the Offer, including any addenda or corrigenda thereto

Term	Description
Eligible NRI(s)	NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the ASBA Form and the Red Herring Prospectus will constitute an invitation to subscribe to or to purchase the Equity Shares
Escrow Account(s)	The 'no-lien' and 'non-interest bearing' account(s) opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors will transfer money through direct credit / NEFT / RTGS / NACH in respect of the Bid Amount when submitting a Bid
Escrow Collection Bank(s)	The Bank(s) which are clearing members and registered with SEBI as bankers to an issue and with whom the Escrow Account(s) will be opened, in this case being [●]
First Bidder	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band, subject to any revision(s) thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalised and below which no Bids will be accepted and which shall not be less than the face value of the Equity Shares
Fresh Issue	The fresh issue component of the Offer comprising an issuance by our Company of up to [●] Equity Shares at ₹ 10 per Equity Share (including a share premium of ₹ [●] per Equity Share) or any other securities of the Company, as may be permissible through a preferential issue or any other method as may be permitted in accordance with applicable law to any person(s), aggregating up to ₹ 4,000.00 million Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement. If the Pre-IPO Placement is completed, the Fresh Issue size will be reduced to the extent of such Pre-IPO Placement, subject to the Offer complying with Rule 19(2)(b) of the SCRR
General Information Document / GID	The General Information Document for investing in public issues prepared and issued by SEBI in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchanges and the Book Running Lead Managers
Gross Proceeds	The Offer proceeds from the Fresh Issue
IIFL	IIFL Securities Limited
Minimum NIB Application Size	Bid amount of more than ₹ 200,000 in the specified Bid Lot size
Mobile App	The mobile applications listed on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 or such other website as may be updated from time to time, which may be used by UPI Bidders to submit Bids using the UPI Mechanism as provided under 'Annexure A' for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019
Monitoring Agency	[●]
Motilal Oswal	Motilal Oswal Investment Advisors Limited* * *In compliance with the proviso to Regulation 21A(1) and explanation (iii) to Regulation 21A(1) of the SEBI (Merchant Bankers) Regulations, 1992, Motilal Oswal Investment Advisors Limited will be involved only in the marketing of the Offer. Motilal Oswal Investment Advisors Limited has signed the due diligence certificate and has been disclosed as a BRLM to the Offer.*
Mutual Fund Portion	Up to 5% of the Net QIB Portion, or [●] Equity Shares, which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Offer Price
Net Proceeds	The proceeds from the Fresh Issue less the Offer related expenses applicable to the Fresh Issue. For further details regarding the use of the Net Proceeds and the Offer related expenses, see "*Objects of the Offer*" on page 113
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors
Non-Institutional Bidder / NIBs	All Bidders that are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Offer being not less than 15% of the Offer consisting of [●] Equity Shares which shall be available for allocation to Non-Institutional Bidders, subject to valid Bids being received at or above the Offer Price. One third of the portion available to Non-Institutional Investors shall be reserved for applicants with application size of more than ₹ 0.20 million and up to ₹ 1.00 million while the remaining portion shall be reserved for applicants with application size of more than ₹ 1.00 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to Bidders in the other sub-category of Non-Institutional Investors

Term	Description
Non-Resident	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs
Offer	The initial public offering of the Equity Shares of our Company by way of the Fresh Issue and the Offer for Sale. Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement. If the Pre-IPO Placement is completed, the Fresh Issue size will be reduced to the extent of such Pre-IPO Placement, subject to the Offer complying with Rule 19(2)(b) of the SCRR
Offer Agreement	The agreement dated March 29, 2023 amongst our Company, the Selling Shareholders and the Book Running Lead Managers pursuant to the SEBI ICDR Regulations, based on which certain arrangements are agreed to in relation to the Offer
Offer for Sale	The Equity Shares being offered for sale by the Selling Shareholders of up to 13,300,000 Equity Shares aggregating up to ₹ [●] million, comprising an offer for sale of up to 6,650,000 Equity Shares aggregating up to ₹ [●] million by Tangi Facility Solutions Private Limited, up to 1,330,000 Equity Shares aggregating up to ₹ [●] million by India Business Excellence Fund – II, and up to 5,320,000 Equity Shares aggregating up to ₹ [●] million by India Business Excellence Fund – IIA. For further information, see "*The Offer*" beginning on page 76
Offer Price	The final price at which Equity Shares will be Allotted to successful Bidders, other than Anchor Investors. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price in terms of the Red Herring Prospectus. The Offer Price will be decided by our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers, on the Pricing Date, in accordance with the Book Building Process and in terms of the Red Herring Prospectus
Offer Proceeds	The proceeds of the Fresh Issue which shall be available to our Company and the proceeds of the Offer for Sale which shall be available to the Selling Shareholders. For further information about use of the Offer Proceeds, see "*Objects of the Offer*" on page 113
Offered Shares	The Equity Shares being offered by the Selling Shareholders of up to 13,300,000 Equity Shares aggregating up to ₹ [●] million, comprising an offer for sale of up to 6,650,000 Equity Shares aggregating up to ₹ [●] million by Tangi Facility Solutions Private Limited, up to 1,330,000 Equity Shares aggregating up to ₹ [●] million by India Business Excellence Fund – II, and up to 5,320,000 Equity Shares aggregating up to ₹ [●] million by India Business Excellence Fund – IIA. For further information, see "*The Offer*" beginning on page 76.
Pre-IPO Placement	A pre-IPO placement of up to [●] Equity Shares or any other securities of the Company as may be permissible, through a preferential issue or any other method as may be permitted in accordance with applicable law, to any person(s), for cash consideration aggregating up to ₹ 800.00 million, which may be undertaken by our Company at its discretion, in consultation with the BRLMs, prior to the filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is completed, the Fresh Issue size will be reduced to the extent of such Pre-IPO Placement, subject to the Offer complying with Rule 19(2)(b) of the SCRR. Upon allotment of Equity Shares issued pursuant to the Pre-IPO Placement and after compliance with requirements prescribed under the Companies Act, our Company shall utilise the proceeds from such Pre-IPO Placement towards the objects of the Offer
Price Band	Price band of a minimum price of ₹ [●] per Equity Share (Floor Price) and the maximum price of ₹ [●] per Equity Share (Cap Price) including any revisions thereof. The Price Band and the minimum Bid Lot for the Offer will be decided by our Company and the Selling Shareholders, in consultation with the BRLMs, and will be advertised in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Tamil daily newspaper, Tamil being the regional language of Tamil Nadu, where our Registered Office is located) at least two Working Days prior to the Bid / Offer Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price, and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites
Pricing Date	The date on which our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers, will finalise the Offer Price
Promoters' Contribution	Aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company that is eligible to form part of the minimum promoters' contribution, as required under the provisions of the SEBI ICDR Regulations, held by our Promoters, which shall be locked-in for a period of eighteen months from the date of Allotment

Term	Description
Prospectus	The prospectus to be filed with the RoC in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations containing, *inter alia*, the Offer Price that is determined at the end of the Book Building Process, the size of the Offer and certain other information, including any addenda or corrigenda thereto
Public Offer Account(s)	The 'no-lien' and 'non-interest bearing' bank account(s) to be opened with the Public Offer Account Bank(s) under Section 40(3) of the Companies Act, 2013, to receive monies from the Escrow Account(s) and ASBA Accounts on the Designated Date
Public Offer Account Bank(s)	The banks with which the Public Offer Account(s) is opened for collection of Bid Amounts from Escrow Account(s) and ASBA Accounts on the Designated Date, in this case being [●]
QIB Category / QIB Portion	The portion of the Offer (including the Anchor Investor Portion) being not more than 50% of the Offer comprising [●] Equity Shares which shall be allocated to QIBs (including Anchor Investors), on a proportionate basis, (in which allocation to Anchor Investors shall be on a discretionary basis, as determined by our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers), subject to valid Bids being received at or above the Offer Price
Qualified Institutional Buyers / QIBs / QIB Bidders	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
Red Herring Prospectus / RHP	The red herring prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Offer including any addenda or corrigenda thereto The Red Herring Prospectus will be filed with the RoC at least three Working Days before the Bid / Offer Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date
Refund Account(s)	The 'no-lien' and 'non-interest bearing' account(s) opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount to the Anchor Investors shall be made
Refund Bank(s)	The Banker(s) to the Offer with whom the Refund Account(s) will be opened, in this case being [●]
Registered Brokers	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) Regulations, 1992 and with the stock exchanges having nationwide terminals, other than the Book Running Lead Managers and the Syndicate Members and eligible to procure Bids in terms of the circular No. CIR/CFD/14/2012 dated October 4, 2012 and any other UPI circulars issued by SEBI
Registrar Agreement	The agreement dated March 29, 2023 among our Company, the Selling Shareholders and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer
Registrar and Share Transfer Agents / RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of the circular issued by SEBI bearing no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and in terms of the UPI Circulars
Registrar to the Offer / Registrar	Link Intime India Private Limited
Retail Individual Bidder(s) / RIB(s)	Individual Bidders, who have Bid for the Equity Shares for an amount not more than ₹ 200,000 in any of the bidding options in the Offer (including HUFs applying through their *karta* and Eligible NRIs and does not include NRIs other than Eligible NRIs)
Retail Portion	Portion of the Offer being not less than 35% of the Offer consisting of [●] Equity Shares which shall be available for allocation to Retail Individual Bidders (subject to valid Bids being received at or above the Offer Price), which shall not be less than the minimum Bid Lot subject to availability in the Retail Portion, and the remaining Equity Shares to be Allotted on a proportionate basis
Revision Form	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s), as applicable QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid / Offer Period and withdraw their Bids until Bid / Offer Closing Date
SBICAPS	SBI Capital Markets Limited
SCORES	Securities and Exchange Board of India Complaints Redress System, a centralized web based complaints redressal system launched by SEBI

Term	Description
Self-Certified Syndicate Bank(s) / SCSB(s)	The banks registered with SEBI, offering services: (a) in relation to ASBA (other than using the UPI Mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35, as applicable or such other website as may be prescribed by SEBI from time to time; and (b) in relation to ASBA (using the UPI Mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40, or such other website as may be prescribed by SEBI from time to time In relation to Bids (other than Bids by Anchor Investor) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35) and updated from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 as updated from time to time. In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, UPI Bidders Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40) and (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43) respectively, as updated from time to time
Share Escrow Agent	Escrow agent to be appointed pursuant to the Share Escrow Agreement, namely, [●]
Share Escrow Agreement	Agreement to be entered into amongst the Selling Shareholders, our Company and the Share Escrow Agent in connection with the transfer of Equity Shares under the Offer by such Selling Shareholders and credit of such Equity Shares to the demat account of the Allottees
Specified Locations	The Bidding centres where the Syndicate shall accept Bid cum Application Forms from relevant Bidders, a list of which is available on the website of SEBI (www.sebi.gov.in), and updated from time to time
Sponsor Banks	The Bankers to the Offer registered with SEBI, which has been appointed by our Company to act as a conduit between the Stock Exchanges and the NPCI in order to push the mandate collect requests and / or payment instructions of the UPI Bidders, using the UPI Mechanism and carry out any other responsibilities in terms of the UPI Circulars, in this case being [●] and [●]
Stock Exchanges	Collectively, BSE and NSE
Syndicate / members of the Syndicate	The Book Running Lead Managers and the Syndicate Members
Syndicate Agreement	Agreement to be entered into among our Company, the Selling Shareholders, the Book Running Lead Managers and the Syndicate Members in relation to collection of Bid cum Application Forms by Syndicate
Syndicate Member(s)	Intermediaries (other than the Book Running Lead Managers) registered with SEBI who are permitted to accept bids, applications and place order with respect to the Offer and carry out activities as an underwriter namely, [●], [●] and [●]
Systemically Important Non-Banking Financial Company / NBFC-SI	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
Underwriters	[●]
Underwriting Agreement	Agreement to be entered into among the Underwriters, our Company and the Selling Shareholders on or after the Pricing Date, but prior to filing of the Prospectus
UPI	Unified Payments Interface, which is an instant payment mechanism developed by NPCI

Term	Description
UPI Bidder	Collectively, individual investors applying as (i) Retail Individual Bidders, in the Retail Portion, and (ii) Non-Institutional Bidders with an application size of up to ₹500,000 in the Non-Institutional Portion, and Bidding under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents. Pursuant to Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹500,000 shall use UPI and shall provide their UPI ID in the bid-cum-application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity)
UPI Circulars	SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020, SEBI circular number SEBI/HO/CFD/DIL-2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, and any subsequent circulars or notifications issued by SEBI in this regard
UPI ID	ID created on UPI for single-window mobile payment system developed by the NPCI
UPI Mandate Request	A request (intimating the UPI Bidder by way of a notification on the UPI Mobile App and by way of a SMS directing the UPI Bidder to such UPI Mobile App) to the UPI Bidder initiated by the Sponsor Bank(s) to authorise blocking of funds in the relevant ASBA Account through the UPI Mobile App equivalent to the Bid Amount and subsequent debit of funds in case of Allotment
UPI Mechanism	The mechanism that may be used by a UPI Bidder to make a Bid in the Offer in accordance with the UPI Circulars
UPI PIN	Password to authenticate UPI transaction
Wilful Defaulter or a Fraudulent Borrower	Wilful defaulter or fraudulent borrower as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations
Working Day	All days on which commercial banks in Mumbai are open for business; provided, however, with reference to (a) announcement of Price Band; and (b) Bid / Offer Period, the expression "Working Day" shall mean all days, excluding all Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and (c) the time period between the Bid / Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, the expression "Working Day" shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the circulars issued by SEBI

Conventional and general terms and abbreviations

Term	Description
AGM	Annual General Meeting
AIF(s)	Alternative Investment Funds as defined in and registered under the SEBI AIF Regulations
BSE	BSE Limited
Calendar Year or year	Unless the context otherwise requires, shall refer to the twelve month period ending December 31
CAGR	Compound Annual Growth Rate
Category I AIF	AIFs who are registered as "Category I Alternative Investment Funds" under the SEBI AIF Regulations
Category I FPIs	FPIs who are registered as "Category I Foreign Portfolio Investors" under the SEBI FPI Regulations
Category II AIF	AIFs who are registered as "Category II Alternative Investment Funds" under the SEBI AIF Regulations
Category II FPIs	FPIs who are registered as "Category II Foreign Portfolio Investors" under the SEBI FPI Regulations

Term	Description
Category III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Companies Act, 1956	The erstwhile Companies Act, 1956 along with the relevant rules made thereunder
Companies Act / Companies Act, 2013	Companies Act, 2013, along with the relevant rules, regulations, clarifications, circulars and notifications issued thereunder, as amended to the extent currently in force
Competition Act	Competition Act, 2002
Consolidated FDI Policy	The consolidated FDI Policy, issued by the Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time
COVID-19	The novel coronavirus disease, which is an infectious disease caused by a newly discovered coronavirus strain that was discovered in 2019 resulting in the World Health Organization declaring a public health emergency of international concern on January 30, 2020 and a pandemic on March 11, 2020
Demat	Dematerialised
Depositories	NSDL and CDSL, collectively
Depositories Act	The Depositories Act, 1996
DIN	Director Identification Number
DP or Depository Participant	A depository participant as defined under the Depositories Act
DP ID	Depository Participant’s identity number
DPIIT	The Department for Promotion of Industry and Internal Trade (earlier known as Department of Industrial Policy and Promotion)
EPS	Earnings per share
ESI Act	Employees’ State Insurance Act, 1948
ESIC	Employees’ State Insurance Corporation
Euro	Euro, the official currency of the European Union
FCNR Account	Foreign Currency Non Resident (Bank) account established in accordance with the FEMA
FDI	Foreign direct investment
FDI Policy	The consolidated FDI Policy effective from October 15, 2020, issued by the Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time
FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations thereunder
FEMA NDI Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Financial Year / Fiscal / Fiscal Year	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year, unless stated otherwise
FIR	First information report
FPIs	Foreign Portfolio Investors, as defined under SEBI FPI Regulations
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
GDP	Gross Domestic Product
GoI / Government / Central Government	Government of India
GST	Goods and Services Tax
HUF(s)	Hindu Undivided Family(ies)
IAS Rules	Companies (Indian Accounting Standards) Rules, 2015, as amended
ICAI	Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards as issued by the International Accounting Standards Board
IFSC	Indian Financial System Code
IGST	Integrated Goods and Services Tax
Income Tax Act	Income Tax Act, 1961
Ind AS / Indian Accounting Standards	The Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Companies Act, 2013
Ind AS 24	Indian Accounting Standard 24, notified by the Ministry of Corporate Affairs under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Companies Act, 2013
Ind AS 37	Indian Accounting Standard 37, “Provisions, Contingent Liabilities and Contingent Assets”, notified by the Ministry of Corporate Affairs under Section 133 of the Companies Act, 2013 read with IAS Rules

Term	Description
IGAAP / Indian GAAP / GAAP	Accounting standards notified under section 133 of the Companies Act, 2013, read with Companies (Accounting Standards) Rules, 2006, as amended and the Companies (Accounts) Rules, 2014, as amended
IPO	Initial public offer
INR / Rupee / ₹ / Rs.	Indian Rupee, the official currency of the Republic of India
IRDAI	Insurance Regulatory and Development Authority of India
IST	Indian standard time
IT	Information Technology
IT Act	The Income Tax Act, 1961
KYC	Know Your Customer
MAT	Minimum Alternate Tax
MCA	The Ministry of Corporate Affairs, Government of India
MoU	Memorandum of Understanding
MSME	Micro, small and medium enterprises
Mn or mn	Million
N.A. or NA	Not applicable
NAV	Net asset value
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
NACH	National Automated Clearing House
NBFC	Non-Banking Financial Company
NCLT	National Company Law Tribunal
NEFT	National Electronic Fund Transfer
NPCI	National Payments Corporation of India
NR / Non-resident	A person resident outside India, as defined under the FEMA and includes an NRI
NRI	Person resident outside India, who is a citizen of India or a person of Indian origin, and shall have the meaning ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2016 or an overseas citizen of India cardholder within the meaning of section 7(A) of the Citizenship Act, 1955
NRE Account	Non-resident external account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016
NRI or Non-Resident Indian	Non-Resident Indian
NRO Account	Non-resident ordinary account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB or Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts in which not less than 60% of the beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to the general permission granted to OCBs under the FEMA. OCBs are not allowed to invest in the Offer
PAN	Permanent account number
PAT	Profit after tax
R&D	Research and development
RBI	Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
RTGS	Real time gross settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SBEB Regulations 2021	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities And Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Term	Description
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996
STT	Securities Transaction Tax
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
Trademarks Act	Trademarks Act, 1999
US$ / USD / US Dollar	United States Dollar, the official currency of the United States of America
U.S.A/ U.S. / United States	The United States of America and its territories and possessions, including any state of the United States of America, Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands and the District of Columbia
U.S. GAAP	Generally Accepted Accounting Principles in the United State of America
U.S. Securities Act	United States Securities Act of 1933
VAT	Value Added Tax
VCFs	Venture capital funds as defined in and registered with the SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as the case may be

Business, technical / industry-related terms

Term	Description
Adjusted EBIT	Adjusted EBITDA provides information regarding the operational efficiency of our business after deducting depreciation and amortization cost business and after negating the impact of fair value changes in liability payable/paid to promoters of acquired subsidiary, ESOP expenses and finance income
Adjusted EBITDA	Adjusted EBITDA provides information regarding the operational efficiency of our business after adjusting fair value changes in liability payable/paid to promoters of acquired subsidiary and ESOP expenses
Adjusted EBITDA Margin (%)	Adjusted EBITDA Margin is a further indicator of the operational profitability and financial performance of our business after negating the impact of fair value changes in liability payable/paid to promoters of acquired subsidiary, ESOP expenses and finance income
Adjusted RoCE %	Adjusted Return on Capital Employed provides how efficiently our Company generates earnings from the capital employed in the business after negating the impact of fair value changes in Liability payable/paid to promoters of acquired subsidiary, ESOP expenses and finance income
Audit and Assurance	These are services provided by Matrix and include services pertaining to retail / channel / trade audit and assurance services, and do not include services such as statutory audits, forensic audit, and financial audits
BCP	Business continuity plans
BFSI	Banking, financial services and insurance
BSS	Business support services
B2B	Business-to-Business
CMMS	Computerised maintenance management system
Debt equity ratio / Debt to equity	Total borrowings (aggregate of non-current borrowings, current maturities of non-current borrowings and current borrowings) / total equity (aggregate of equity share capital and other reserves)
DRP	Disaster recovery planning
Debt to equity	This represent our financial leverage and is computed as total borrowings of the Company with total equity
EAM	Enterprise asset management
EBIT	EBIT provides information regarding the operational efficiency of the business after deducting depreciation and amortization cost
EBITDA	EBITDA provides information regarding the operational efficiency of the business.
EBITDA Margin (%)	EBITDA Margin is an indicator of the operational profitability and financial performance of the business.
EPFO	Employees Provident Fund Organisation
FMCG	fast moving consumer goods
GPTW	Great Places To Work
HVAC	Heating, ventilation and air conditioning
ICMR	The Indian Council of Medical Research
IFM	Integrated facilities management
IoT	Internet of things
IT / ITeS	Information technology / information technology enabled services
JAM	Jan Dhan-Aadhar-Mobile

Term	Description
MEP	Mechanical, electrical and plumbing
Net Debt	This is the absolute measure of the level of leverage in the Company
Net Debt to equity	This is the absolute measure of the level of leverage in the Company to total equity
ONDC	Open Government Data Platform, Open Network for Digital Commerce
PAT	PAT refers to profit after tax and provides information regarding the overall profitability of the business.
PAT Margin	PAT Margin is an indicator of the overall profitability and financial performance of the business.
PLI	Production linked incentives
PSS	Production support services
Revenue from operations	Revenue from operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business.
Return on Equity (RoE) (%)	RoE provides how efficiently our Company generates profits from shareholders' funds.
Return on Capital Employed (RoCE) (%)	Return on Capital Employed provides how efficiently our Company generates earnings from the capital employed in the business.
SAP	Systems Applications and Products in Data Processing
SLA	Service-level agreement
Total Income	Total Income includes the total revenue of the business after considering income from all sources, excluding finance income and helps our Company to assess the scale of the business.
UMANG	Unified Mobile Application for New-age Governance
WHO	World Health Organization

CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION, INDUSTRY AND MARKET DATA AND CURRENCY OF PRESENTATION

Certain conventions

All references in this Draft Red Herring Prospectus to "India" are to the Republic of India and its territories and possessions and all references herein to the "Government", "Indian Government", "GoI", "Central Government" or the "State Government" are to the Government of India, central or state, as applicable.

All references herein to the "US", the "U.S.", the "USA", or the "United States" are to the United States of America, together with its territories and possessions.

Unless otherwise specified, any time mentioned in this Draft Red Herring Prospectus is in Indian Standard Time ("**IST**").

Unless indicated otherwise, all references to page numbers in this Draft Red Herring Prospectus are to page numbers of this Draft Red Herring Prospectus.

Financial data

Unless stated otherwise or the context otherwise requires, the financial data in this Draft Red Herring Prospectus is derived from the Restated Consolidated Financial Information. The Restated Consolidated Financial Information comprises restated consolidated summary statement of assets and liabilities as at September 30, 2022, and as at the Financial Years ended March 31, 2022, March 31, 2021 and March 31, 2020, restated consolidated summary statements of profit and loss (including Other Comprehensive Income), and restated consolidated summary cash flow statements and restated consolidated summary statements of changes in equity for the six months period ended September 30, 2022 and for the Financial Years ended March 31, 2022, March 31, 2021 and March 31, 2020, the consolidated summary statement of notes and other explanatory information derived from our audited consolidated financial statements as at and for the six months period ended September 30, 2022 prepared in accordance with Ind AS 34 and the Financial Years ended March 31, 2022, March 31, 2021 and March 31, 2020 prepared in accordance with Ind AS and restated by the Company in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, relevant provisions of the SEBI ICDR Regulations, and the Guidance Note on Reports on Company Prospectuses (Revised 2019) issued by the ICAI.

For further information on our Company's financial information, please see the section "*Restated Consolidated Financial Information*" on page 277.

We have also included Proforma Financial Information in this Draft Red Herring Prospectus. The Proforma Financial Information have been prepared in accordance with the requirements of the SEBI ICDR Regulations, to give effect to the impact of the acquisition of Athena BPO Private Limited ("**Athena**") made after the date of latest consolidated financial statements of our Company i.e., September 30, 2022, on our Restated Consolidated Financial Information as of March 31, 2022 as if the acquisition happened on March 31, 2022, and as of September 30, 2022 as if the acquisition happened on September 30, 2022, and to illustrate the impact of the acquisition on our restated consolidated statement of profit and loss for the Financial Year ended March 31, 2022 and for the six months period ended September 30, 2022, as if the acquisition occurred on April 1, 2021 and April 1, 2022, respectively.

The Proforma Financial Information addresses a hypothetical situation and does not represent our actual consolidated financial condition or results of operations and is not intended to be indicative of our future financial condition and results of operations. The adjustments set forth in the Proforma Financial Information are based upon available information and assumptions that our management believes to be reasonable. As the Proforma Financial Information is prepared for illustrative purposes only, it is, by its nature, subject to change and may not give an accurate picture of the actual financial results that would have occurred had such transactions by us been effected on the dates they are assumed to have been effected, and is not intended to be indicative of our future financial performance.

Also see, "*Proforma Financial Information*" and "*Risk Factors – The Proforma Financial Information included in this Draft Red Herring Prospectus may not be indicative of our actual results of operations and financial position for such periods or as of such dates, or of expected results of operations in future periods or our future financial position.*" on pages 382 and 40, respectively.

In addition, in this Draft Red Herring Prospectus, we have also included certain financial information of certain of our Subsidiaries. For details, see "*Risk Factors – We have included certain standalone financial information of certain of our Subsidiaries in this Draft Red Herring Prospectus and such financial information may not be strictly comparable with our Restated Consolidated Financial Information.*" on page 50.

Further, we have also included the special purpose audited consolidated Ind AS financial statements of Athena as of and for the Financial Year ended March 31, 2022 and as of and for the six months period ended September 30, 2022, in this Draft Red Herring Prospectus, and such financial statements have been prepared in accordance with Ind AS. Also see, "*Athena Consolidated Audited Financial Statements*" on page 397.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row.

In addition, we have included certain information as at / for the six months period ended September 30, 2022 which may not be indicative of our future performance and may not be comparable with annual financial information included herein. Further, any figures sourced from third-party industry sources may be rounded off to other than two decimal points to conform to their respective sources.

Our Company's Financial Year commences on April 1 and ends on March 31 of the next year. Accordingly, all references in this Draft Red Herring Prospectus to a particular Financial Year, Fiscal or Fiscal Year, unless stated otherwise, are to the 12-month period ended on March 31 of that particular calendar year.

The degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act, 2013 and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies, Ind AS, the Companies Act 2013 and the SEBI ICDR Regulations and practices on the financial disclosures presented in this Draft Red Herring Prospectus, should accordingly be limited. There are significant differences between Ind AS, Indian GAAP, US GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or US GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our Company's financial data. For details in connection with risks involving differences between Ind AS, U.S. GAAP and IFRS, please see the section entitled *"Risk Factors – Significant differences exist between Indian Accounting Standards ("Ind AS") and other accounting principles, such as the generally accepted accounting principles in the US ("US GAAP") and International Financial Reporting Standards ("IFRS"), which may be material to investors' assessment of our financial condition."* on page 71. We urge the Investors to consult their respective advisors regarding such differences and their impact on our financial data.

Non-GAAP financial measures

Certain non-GAAP measures such as total income (excluding finance income), earnings before interest tax depreciation and amortization ("**EBITDA**"), adjusted EBITDA, earnings before interest and tax ("**EBIT**"), adjusted EBIT, capital employed, return on capital employed ("**ROCE**"), adjusted ROCE, total borrowings / equity, non current borrowings / equity, return on equity, net worth, net debt (cash), net debt (cash) / equity, net debt (cash) / adjusted EBITDA and total material cost, among others, which are derived from the Restated Consolidated Financial Information ("**Non-GAAP Measures**") presented in this Draft Red Herring Prospectus are a supplemental measure of our performance and liquidity that are not required by, or presented in accordance with, Ind AS, Indian GAAP, or IFRS. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, or IFRS and should not be considered in isolation or construed as an alternative to cash flows, profit / (loss) for the year / period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, or IFRS. In addition, these Non-GAAP Measures are not a standardised term and, therefore, a direct comparison of similarly titled Non-GAAP Measures between companies may not be possible. Other companies may calculate the Non-GAAP Measures differently from us, limiting their usefulness as a comparative measure. Although the Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our

Company's management believes that they are useful to an investor in evaluating us because these are widely used measures to evaluate a company's operating performance.

Also see "*Risk Factors – Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance have been included in this Draft Red Herring Prospectus. These non-GAAP financial measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable.*" and "*Management's Discussion and Analysis of Financial Position and Results of Operations - Non-GAAP Measures*" on pages 63 and 523, respectively.

Industry and market data

Unless stated otherwise, industry and market data used throughout this Draft Red Herring Prospectus has been derived from a report dated March 27, 2023 and titled "*Assessment of Integrated Facilities Management Market in India*" (the "**F&S Report**") that has been prepared by Frost & Sullivan. Industry publications generally state that the information contained in such publications has been obtained from sources generally believed to be reliable, but their accuracy, adequacy, completeness or underlying assumptions are not guaranteed and their reliability cannot be assured. Accordingly, no investment decisions should be made based on such information. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends.

Although the industry and market data used in this Draft Red Herring Prospectus is reliable, industry sources and publications may base their information on estimates and assumptions that may prove to be incorrect. The data used in these sources may also have been reclassified by us for the purposes of presentation and may also not be comparable. The extent to which the industry and market data presented in this Draft Red Herring Prospectus is meaningful depends upon the reader's familiarity with, and understanding of, the methodologies used in compiling such information. There are no standard data gathering methodologies in the industry in which our Company conducts business and methodologies and assumptions may vary widely among different market and industry sources. Such information involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "*Risk Factors – This Draft Red Herring Prospectus contains information from an industry report which we have commissioned and paid for, from Frost & Sullivan. There can be no assurance that such third -party statistical, financial and other industry information is either complete or accurate.*" On page 59.

In accordance with the SEBI ICDR Regulations, the section "*Basis for the Offer Price*" on page 128 includes information relating to our peer group companies. Such information has been derived from publicly available sources. Accordingly, no investment decision should be made solely on the basis of such information.

Unless the context otherwise indicates, any percentage amounts, as set forth in "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Conditional and Results of Operations*" on pages 34, 198 and 495, respectively, and elsewhere in this Draft Red Herring Prospectus have been calculated on the basis of amounts based on or derived from our Restated Consolidated Financial Information.

Disclaimer of Frost & Sullivan

This Draft Red Herring Prospectus contains data and statistics from the F&S Report, which is subject to the following disclaimer:

"'*Assessment of Integrated Facilities Management Market in India' has been prepared for the proposed initial public offering of equity shares by Updater Services Limited (the "**Company**").*

This study has been undertaken through extensive primary and secondary research, which involves discussing the status of the industry with leading market participants and experts, and compiling inputs from publicly available sources, including official publications and research reports. Estimates provided by Frost & Sullivan (India) Private Limited ("Frost & Sullivan") and its assumptions are based on varying levels of quantitative and qualitative analyses, including industry journals, company reports and information in the public domain.

Frost & Sullivan has prepared this study in an independent and objective manner, and it has taken all reasonable care to ensure its accuracy and completeness. We believe that this study presents a true and fair view of the industry within the limitations of, among others, secondary statistics and primary research, and it does not purport to be exhaustive. The results that can be or are derived from these findings are based on certain assumptions and *parameters/conditions. As such, a blanket, generic use of the derived results or the methodology is not encouraged.*

Forecasts, estimates, predictions, and other forward-looking statements contained in this report are inherently uncertain because of changes in factors underlying their assumptions, or events or combinations of events that cannot be reasonably foreseen. Actual results and future events could differ materially from such forecasts, estimates, predictions, or such statements. In making any decision regarding the transaction, the recipient should conduct its own investigation and analysis of all facts and information contained in the prospectus of which this report is a part and the recipient must rely on its own examination and the terms of the transaction, as and when discussed. The recipients should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction."

Currency and Units of Presentation

All references to:

- '**Rupees**' or '**₹**' or '**Rs.**' Are to Indian Rupees, the official currency of the Republic of India.
- '**U.S.$**', '**U.S. Dollar**', '**USD**' or '**U.S. Dollars**' are to United States Dollars, the official currency of the United States of America.
- '**EUR**' or '**€**' are to Euro, the official currency of the European Union.
- '**GBP**' or '**£**' are to Pound Sterling, the official currency of the United Kingdom.
- '**RM**' or '**MYR**' are to Malaysian Ringgit, the official currency of the Republic of Malaysia.
- '**PLN**' is to Złoty, the official currency of the Republic of Poland.
- '**SGD**' or '**S.$**' are to Singapore Dollars, the official currency of the Republic of Singapore.

In this Draft Red Herring Prospectus, our Company has presented certain numerical information. All figures have been expressed in millions. One million represents 10 lakhs' or 1,000,000. However, where any figures that may have been sourced from third-party industry sources are expressed in denominations other than millions, such figures appear in this Draft Red Herring Prospectus expressed in such denominations as provided in their respective sources.

Figures sourced from third-party industry sources may be expressed in denominations other than millions or may be rounded off to other than two decimal points in the respective sources, and such figures have been expressed in this Draft Red Herring Prospectus in such denominations or rounded-off to such number of decimal points as provided in such respective sources.

Time

All references to time in this Draft Red Herring Prospectus are to Indian Standard Time.

Exchange rates

This Draft Red Herring Prospectus may contain conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI ICDR Regulations. These conversions should not be construed as a representation that such currency amounts could have been, or can be converted into Indian Rupees, at any particular rate, or at all.

The exchange rates of USD and EUR into Indian Rupees for the periods indicated are provided below:

(in ₹)

Currency	Exchange Rate as on			
	March 31, 2020	March 31, 2021	March 31, 2022	September 30, 2022
1 USD#	75.39	73.51	75.81	81.55
1 EUR#	83.05	86.10	84.66	80.11
1 GBP#	93.08	100.95	99.55	90.77
1 MYR*	17.31	17.64	17.94	17.59
1 PLN*	18.26	18.44	18.07	16.40
1 SGD*	52.68	54.33	55.76	56.81

#*Source: Financial Benchmark India Private Limited*
**Source: www.oanda.com*

FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain statements which are not statements of historical fact and may be described as "forward-looking statements". These forward-looking statements include statements which can generally be identified by words or phrases such as "aim", "anticipate", "are likely", "believe", "continue", "can", "could", "shall", "expect", "estimate", "intend", "may", "likely", "objective", "plan", "propose", "seek to", "will" "will achieve", "will continue", "will likely", "will pursue" or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of our Company are also forward-looking statements. These forward-looking statements include statements as to our business strategy, plans (including, without limitation, any financial or operating projections or forecasts) and other matters discussed in this Draft Red Herring Prospectus that are not historical facts. All statements regarding our expected financial conditions, results of operations, business plans and prospects are forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements.

By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could be materially different from those that have been estimated. Forward-looking statements reflect our current views as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management's belief and assumptions, current plans, estimates and expectations, which in turn are based on currently available information.

Although we believe that the assumptions on which such statements are based are reasonable, any such assumptions as well as statements based on them could prove to be inaccurate. Actual results may differ materially from those suggested by such forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. This may be due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industries we cater to, and our ability to respond to them, our ability to successfully implement our strategies, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in our industry and incidence of any natural calamities and / or acts of violence.

Certain important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- A failure to manage operational risks such risks including any errors, defects or disruption in our service or inability to meet expected or agreed service standards;

- Exposure to service-related claims and losses or employee disruptions that could have an adverse effect on our reputation, business, results of operations and financial condition given that we have a large workforce deployed across workplaces and customer premises;

- Our businesses are manpower intensive and our inability to attract and retain skilled manpower could have an adverse impact on our growth, business and financial condition;

- Significant disputes with our employees and/or concerned regulators may adversely affect our business prospects, results of operations and financial condition;

- Inability to fully realize the anticipated benefits of our acquisitions, including that of Athena, and any future acquisitions;

- Dependence on our vendors for the supply of equipment and products that we use in providing our services and solutions and a failure of these vendors in meeting their obligations;

- Inability to perform background verification procedures on our personnel as well as on our billable employees prior to placing them with our customers;

- Impact of the COVID-19 pandemic and resulting deterioration of general economic conditions on our business and results of operations and the extent to which it may impact our future business and results of operations;

- Inability to manage our rapid growth and business diversification initiatives may disrupt our operations and adversely affect our business and growth strategies and future financial performance; and

- Inability to compete effectively, given the industries in which we operate are intensely competitive, may adversely affect our business, results of operations and financial condition.

For a further discussion of factors that could cause our actual results to differ from our estimates and expectations, see "*Risk Factors*" on page 34.

Neither our Company, nor our Directors, nor the Selling Shareholders, nor the Book Running Lead Managers, nor any Syndicate Member, nor any of their respective affiliates or associates have any obligation to, and do not intend to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with the SEBI ICDR Regulations, our Company will ensure that investors in India are informed of material developments pertaining to our Company and the Equity Shares forming part of the Offer for Sale from the date of the Red Herring Prospectus until the Date of Allotment.

In accordance with the SEBI ICDR Regulations, each Selling Shareholder severally and not jointly will ensure that Bidders in India are informed of material developments in relation to statements and undertakings specifically made (severally and not jointly) by the respective Selling Shareholders in relation to itself or its respective portion of the Offered Shares in this Draft Red Herring Prospectus until the Date of Allotment.

SECTION II – SUMMARY OF THE OFFER DOCUMENT

This section is a general summary of certain disclosures included in this Draft Red Herring Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Red Herring Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including the sections titled "Risk Factors", "The Offer", "Capital Structure", "Our Business", "Industry Overview", "Our Promoters and Promoter Group", "Objects of the Offer", "Financial Information", "Management's Discussions and Analysis of Financial Position and Results of Operations", "Offer Structure" and "Outstanding Litigation and Other Material Developments" on pages 34, 76, 94, 198, 161, 271, 113, 277, 495, 584 and 552, respectively.

Primary business of our Company

We are a leading, focused, and integrated business services platform in India offering integrated facilities management ("**IFM**") services and business support services ("**BSS**") to our clients, with a pan-India presence. (*Source: F&S Report*) We are the second largest player in the IFM market in India and have the widest service offering in the industry, making us a unique and differentiated player in the market. (*Source: F&S Report*) Our portfolio of services has evolved over the years to cater to diverse customer segments across sectors including FMCG, manufacturing and engineering, BFSI, healthcare, IT / IteS, automobiles, logistics and warehousing, airports, ports, infrastructure and retail, among others.

Summary of the industry in which our Company operates

The total IFM market in India in the Financial Year ended March 31, 2022 is valued at ₹ 89,475 crore and around 39% of this is outsourced to 3rd party companies. (*Source: F&S Report*) Between the Financial Year ended March 31, 2018 and the Financial Year ended March 31, 2022, the outsourced Indian IFM market grew at a CAGR of 8.4%. (*Source: F&S Report*) The outsourced IFM market is expected to grow at a CAGR of 16.9% from the Financial Year ended March 31, 2022 – the Financial Year ended March 31, 2027 and reach ₹ 75,478 crore. (*Source: F&S Report*) The market for BSS is valued at ₹ 5,230 crore in the Financial Year ended March 31, 2022. (*Source: F&S Report*) The market recorded a CAGR of 1.9% from the Financial Year ended March 31, 2018 to the Financial Year ended March 31, 2022. (*Source: F&S Report*) The BSS market is expected to grow at a CAGR of 16.8% from the Financial Year ended March 31, 2022 – the Financial Year ended March 31, 2027 and reach ₹ 11,354 crore. (*Source: F&S Report*)

Name of Promoters

Our Promoters are Raghunandana Tangirala and Shanthi Tangirala. For further details, see "*Our Promoters and Promoter Group*" on page 271.

The Offer

The following table summarizes the details of the Offer. For further details, see "*The Offer*" and "*Offer Structure*" on pages 76 and 584, respectively.

Offer(1)	Up to [●] Equity Shares for cash at price of ₹ [●] per Equity Share (including a share premium of [●] per Equity Share), aggregating up to ₹ [●] million
of which	
(i) Fresh Issue(1)^	Up to [●] Equity Shares aggregating up to ₹ 4,000.00 million
(ii) Offer for Sale(2)	Up to 13,300,000 Equity Shares aggregating up to ₹ [●] million by the Selling Shareholders, comprising an Offer for Sale of up to 6,650,000 Equity Shares aggregating up to ₹ [●] million by Tangi Facility Solutions Private Limited, up to 1,330,000 Equity Shares aggregating up to ₹ [●] million by India Business Excellence Fund – II, and up to 5,320,000 Equity Shares aggregating up to ₹ [●] million by India Business Excellence Fund – IIA

(1) *The Offer has been authorized by a resolution of our Board dated March 21, 2023 and the Fresh Issue has been authorized by a special resolution of our Shareholders, dated March 22, 2023.*

(2) *The Equity Shares offered by the Selling Shareholders are eligible for being offered for sale in terms of the SEBI ICDR Regulations. Each of the Selling Shareholders has authorized the sale of its respective portion of the Offered Shares in the Offer for Sale. For details on the authorisation of the Selling Shareholders in relation to the Offered Shares, see "Other Regulatory and Statutory Disclosures – Authority for the Offer" on page 564.*

^ Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement aggregating up to ₹ 800.00 million. If the Pre-IPO Placement is completed, the Fresh Issue size will be reduced to the extent of such Pre-IPO Placement, subject to the Offer complying with Rule 19(2)(b) of the SCRR.

The Offer shall constitute [●]% of the post Offer paid up Equity Share capital of our Company.

Objects of the Offer

Our Company proposes to utilise the Net Proceeds towards funding the following objects:

(in ₹ million)

Objects	Amount*^
Repayment and /or prepayment of certain borrowings availed by our Company	1,330.00
Funding our working capital requirements	1,150.00
Pursuing inorganic initiatives #	800.00
General corporate purposes*#	[●]
Total Net Proceeds*	[●]

* *To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC.*

The amount utilised for general corporate purposes and pursuing inorganic acquisitions shall not exceed 35% of the Gross Proceeds. The amount to be utilised for general corporate purposes alone or for pursuing inorganic initiatives alone shall not exceed 25% of the Gross Proceeds.

^ *Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement aggregating up to ₹ 800.00 million. If the Pre-IPO Placement is completed, the Fresh Issue size will be reduced to the extent of such Pre-IPO Placement, subject to the Offer complying with Rule 19(2)(b) of the SCRR.*

For further details, see "*Objects of the Offer*" on page 113.

Aggregate pre-Offer Shareholding of our Promoters, the members of our Promoter Group (other than our Promoters) and the Selling Shareholders

The aggregate pre-Offer shareholding of our Promoters, the members of our Promoter Group (other than our Promoters), and the Selling Shareholders, as a percentage of the pre-Offer paid-up Equity Share capital of our Company is set out below:

S. No.	Name of Shareholder	No. of Equity Shares	% of total pre-Offer paid up Equity Share capital
Promoters			
1.	Raghunandana Tangirala	15,587,702	29.44
2.	Shanthi Tangirala	16,237,705	30.66
Promoter Group (other than our Promoters)			
1.	Tangi Facility Solutions Private Limited*	11,173,440	21.10
Selling Shareholders			
1.	India Business Excellence Fund – II	2,889,161	5.46
2.	India Business Excellence Fund – IIA	6,139,468	11.59
	Total	**52,027,476**	**98.25**

* *Also a Selling Shareholder.*

Summary derived from the Restated Consolidated Financial Information

The following information has been derived from our Restated Consolidated Financial Information as at / for the Financial Years ended March 31, 2020, March 31, 2021 and March 31, 2022, and as at / for the six months period ended September 30, 2022:

(₹ in million, except per share data))

Particulars	As at / for the Financial Years ended			As at / for the six months period ended September 30, 2022
	March 31, 2020	March 31, 2021	March 31, 2022	
Equity Share capital	528.18	528.18	528.18	528.18
Net worth (1)	2,393.33	2,852.63	3,404.27	3,619.13
Revenue from contracts with customers	13,148.86	12,100.32	14,835.52	9,851.16
Profit for the year/ period	330.78	475.61	573.69	201.93
Earnings per share (basic) (2)	6.28	8.53	10.47	3.83*
Earnings per share (diluted) (3)	6.24	8.47	10.40	3.80*
Net Asset Value per Equity Share (4)	45.31	54.01	64.45	68.52
Total borrowings (5)	899.61	116.10	586.79	1,698.14

**Not annualised*

(1) Net worth (total equity) means the aggregate of paid up equity share capital and other equity attributable to equity shareholders of the parent (excluding non-controlling interest).
(2) Restated Basic earnings per share amounts are calculated by dividing the restated profit for the period / year attributable to equity holders of the parent by the weighted average number of Equity Shares outstanding during the period/ year.
(3) Restated Diluted earnings per share amounts are calculated by dividing the restated profit for the period / year attributable to equity holders of the parent by the weighted average number of Equity Shares adjusted for effect of dilution outstanding during the period / year.
(4) Net asset value per equity share represents restated net worth attributable to equity shareholders of the parent (excluding non-controlling interest) at the end of the year / period divided by numbers of equity share outstanding during the respective year / period.
(5) Total borrowings are calculated as borrowings (non-current) plus borrowings (current.)

For further details, see *"Restated Consolidated Financial Information"* and *"Other Financial Information"* on pages 277 and 493, respectively.

Auditor qualifications

There are no qualifications by the Statutory Auditors which have not been given effect to in the Restated Consolidated Financial Information.

Summary of Outstanding litigation

A summary of outstanding litigation proceedings involving our Company, Subsidiaries, Directors and Promoters, as on the date of this Draft Red Herring Prospectus as disclosed in the section titled "*Outstanding Litigation and Other Material Developments*" in terms of the SEBI ICDR Regulations is provided below:

Category of individuals / entities	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by SEBI or Stock Exchanges against our Promoters in the last five years, including outstanding action	Material civil litigation#	Aggregate amount involved* (₹ in million)
Company						
By the Company	12	2	NIL	NA	2	31.75
Against the Company	3	Nil	2	NA	Nil	0.49
Directors						
By the Directors	NIL	NIL	NIL	NA	NIL	NIL
Against the Directors	1	3	NIL	NA	1	19.89
Promoters						
By the Promoters	Nil	NIL	NIL	Nil	Nil	NIL
Against the Promoters	1	4	Nil	Nil	1	41.06
Subsidiaries						
By the Subsidiaries	Nil	NIL	NIL	NA	2	29.16
Against the Subsidiaries	Nil	65	Nil	NA	Nil	65.69

 # Determined in accordance with the Materiality Policy.
** To the extent quantifiable.*

Further, as on the date of this Draft Red Herring Prospectus, there are no pending litigation proceedings involving any of our Group Companies which will have a material impact on our Company. For further details, see "*Outstanding Litigation and Other Material Developments*" on page 552.

Risk factors

Specific attention of the Investors is invited to "*Risk Factors*" on page 34 to have an informed view before making an investment decision.

Summary of contingent liabilities

As at September 30, 2022, our contingent liabilities and commitments identified under the Ind AS 37, on a consolidated basis, were as follows:

Particulars	As at September 30, 2022 (₹ in million)
Contingent Liabilities	
Income Tax	155.61
Provision for bonus for Financial Year 2014-15 pursuant to retrospective amendment to "Payment of Bonus Act" for which an interim stay has been granted by the High court	3.22
- Claims made against the Company not acknowledged as debts in respect of income tax matters	21.00
Income Tax Demands against which entire amount is paid under protest	13.71
Others	14.63
Commitments	
- Estimated amount of contracts remaining to be executed on capital account and not provided for net of capital advances	28.29

For further information on such contingent liabilities as at September 30, 2022 as per Ind AS 37, see "*Restated Consolidated Financial Information*" on page 277.

Summary of related party transactions

A summary of the related party transactions entered into by our Company in the Financial Years ended March 31, 2020, March 31, 2021, March 31, 2022, and in the six months period ended September 30, 2022, as per Ind AS 24 – Related Party Disclosures read with SEBI ICDR Regulations is detailed below:

(₹ in million)

S. No.	Name of Related Party	Nature of transaction	For the Financial Year ended March 31, 2020	For the Financial Year ended March 31, 2021	For the Financial Year ended March 31, 2022	For the six months period ended September 30, 2022
1.	**Expenses incurred**					
	Mr. Raghunandana Tangirala (KMP)	Rent Expense	11.44	10.96	11.50	5.75
	Ms. Shanthi Tangirala (KMP)		11.44	10.96	11.44	5.72
	Best Security Services Private Limited (Entities under Common Control)	Services received	20.68	17.21	18.71	16.22
	Tangirala Infrastructure Development Private Limited (Entities under Common Control)		-	0.23	-	-
	Updater Services (UDS) Foundation (subsidiary)	Reimbursement / (recovery) of expenses	0.01	-	-	-
	Mr. Shankar Gopalakrishnan (Director)		0.01	-	-	-
	Best Security Services Private Limited (Entities under Common Control)		-	0.15	-	-
	Updater Services (UDS) Foundation (subsidiary)	CSR Expenses	6.97	6.75	-	-
2.	**Incomes earned**					
	Tangirala Infrastructure Development Private Limited (Entities under Common Control)	Services Provided	0.10	0.01	0.00*	-
	Updater Services (UDS) Foundation (subsidiary)		0.48	0.36	0.24	-
	Best Security Services Private Limited (Entities under Common Control)	Supply of Material	1.08	1.79	2.88	-
3.	**Remuneration to Key Management Personnel (KMP)**					
	Mr. Raghunandana Tangirala	Salary and other employee benefits**	19.20	14.96	19.20	9.60
	Mr. Amitabh Jaipuria		-	-	1.37	8.19
	Mr. Jayaram L B		5.48	2.06	0.90	0.59
	Mr. Pondicherry Chidambaram Balasubramanian		-	-	-	1.48
	Mr. Balaji Swaminathan		1.67	4.01	6.31	3.08
	Mr. Om Prakash B R		4.43	-	-	-
4.	**Payments to Non-executive directors**					
	Mr. Sunil Rewachand Chandiramani	Director sitting fees	1.20	-	1.10	0.30
	Mr. Shankar Gopalakrishnan		1.20	-	-	-
	Mr. Amit Choudhary		-	-	1.00	0.10
5.	**Deposits Paid / (Refunded)**					
	Mr. Raghunandana Tangirala (KMP)	Deposits Paid	-	1.91	-	-

(₹ in million)

S. No.	Name of Related Party	Nature of transaction	For the Financial Year ended March 31, 2020	For the Financial Year ended March 31, 2021	For the Financial Year ended March 31, 2022	For the six months period ended September 30, 2022
	Ms. Shanthi Tangirala (KMP)		-	1.91	-	-
6.	**Contribution to Gratuity**					
	Updater Services Limited – Employees Company Gratuity Scheme (Entities under Common Control)	Contribution to Gratuity	32.73	18.50	17.23	13.20

** Amounts are less than ₹ 5,000.*

*** The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as these are determined on an actuarial basis for the Company as a whole. The employee stock compensation expenses for the period ended September 30, 2022 includes charge of NIL and for the years ended March 31, 2022, March 31, 2021 and March 31, 2020 include charges of ₹ 0.18 millions, ₹ 0.09 millions and ₹ 1.99 millions towards key managerial personal respectively.*

Transactions eliminated on consolidation during the year / period:

Updater Services Limited (Holding Company):

(₹ in million)

S. No.	Name of Related Party	Nature of transaction	For the Financial Year ended March 31, 2020	For the Financial Year ended March 31, 2021	For the Financial Year ended March 31, 2022	For the six months period ended September 30, 2022
1.	Avon Solutions & Logistics Private Limited (subsidiary)	Sale of services	-	-	3.57	2.85
		Services received	0.01	0.00*	0.00*	0.01
2.	Denave India Private Limited (subsidiary)	Services received	-	-	2.56	-
3.	Global Flight Handling Services PrivateLimited (subsidiary)	Interest income	-	0.66	2.83	4.09
		Sale of services	-	-	14.66	23.70
		Loan given	3.20	3.65	53.24	36.11
		Loan Repayment Received	3.45	-	-	-
		Services received	1.20	-	-	-
4.	Integrated Technical Staffing and Solutions Private Limited (subsidiary)	Interest income	0.26	-	-	-
		Services received	0.98	2.77	2.00	-
		Loan Repayment Received	2.39	0.26	-	-
5.	Matrix Business Services India Private Limited (subsidiary)	Reimbursement of Expenses Received	2.36	-	-	-
		Sale of services	4.20	0.19	0.03	-
		Services received	0.00*	0.02	0.04	0.09
6.	Stanworth Management Private Limited (subsidiary)	Interest income	2.98	1.49	0.25	0.12
		Reimbursement of Expenses Received	0.01	-	0.19	-
		Security Deposit Refund	-	2.98	-	-
		Services received	32.57	22.74	13.95	-
		Loan given	-	-	2.50	-
		Loan Repayment Received	22.54	19.44	5.40	0.14
7.	Tangy Supplies & Solutions Private Limited (subsidiary)	Purchase of Fixed Assets	37.78	16.87	16.78	16.83
		Purchase of materials	252.17	200.63	198.73	120.91
		Reimbursement of Expenses Received	1.25	-	-	-
		Sale of services	0.15	0.07	0.10	0.05
8.	Washroom Hygiene Concepts PrivateLimited (subsidiary)	Reimbursement of Expenses Received	2.29	-	-	-
		Services received	0.21	0.73	1.23	0.52
9.	Wynwy Technologies Private Limited (subsidiary)	Interest income	-	6.64	8.27	5.02
		Purchase of Fixed Assets	-	1.55	-	-
		Sale of services	-	-	0.04	0.03
		Services received	1.15	-	-	-
		Loan Repayment Received	1.28	1.85	-	-
		Loan given	5.29	1.91	28.87	13.26

* *Amounts are less than ₹ 5,000.*

Avon Solutions & Logistics Private Limited (Subsidiary)

(₹ in million)

S. No.	Name of Related Party	Nature of transaction	For the Financial Year ended March 31, 2020	For the Financial Year ended March 31, 2021	For the Financial Year ended March 31, 2022	For the six months period ended September 30, 2022
1.	Matrix Business Services India Private Limited (subsidiary of holding company)	Sale of services	-	-	0.01	-
		Services received	-	-	0.06	0.01
2.	Tangy Supplies & Solutions Private Limited (subsidiary of holding company)	Purchase of Fixed Assets	-	-	0.00*	-
		Purchase of materials	0.00*	0.03	-	0.02
		Sale of services	0.01	0.01	-	-
3.	Updater Services Limited (Holding company)	Sale of services	0.01	0.00*	0.00*	0.01
		Services received	-	-	3.57	2.85
4.	Washroom Hygiene Concepts Private Limited (subsidiary of holding company)	Purchase of Fixed Assets	-	-	0.08	-
		Purchase of goods	-	-	-	0.04
		Sale of services	-	0.01	0.82	1.73

* *Amounts are less than ₹ 5,000.*

Integrated Technical Staffing and Solutions Private Limited (Subsidiary)

(₹ in million)

S. No.	Name of Related Party	Nature of transaction	For the Financial Year ended March 31, 2020	For the Financial Year ended March 31, 2021	For the Financial Year ended March 31, 2022	For the six months period ended September 30, 2022
1.	Tangy Supplies & Solutions Private Limited (subsidiary of holding company)	Materials purchased	1.63	1.41	1.99	0.28
2.	Updater Services Limited (Holding company)	Sale of services	0.98	2.77	2.00	-
		Interest expense	0.26	-	-	-
		Loan repayment	2.39	0.26	-	-

Stanworth Management Private Limited (Subsidiary)

(₹ in million)

S. No.	Name of Related Party	Nature of transaction	For the Financial Year ended March 31, 2020	For the Financial Year ended March 31, 2021	For the Financial Year ended March 31, 2022	For the six months period ended September 30, 2022
1.	Fusion Foods and Catering Private Limited (subsidiary of holding company)	Sale of services	0.81	4.31	1.63	0.10
		Services received	-	0.32	0.15	0.29
2.	Tangy Supplies & Solutions Private Limited (subsidiary of holding company)	Materials purchased	5.56	1.78	3.56	1.94
3.	Updater Services Limited (Holding company)	Interest Expenses	2.98	1.49	0.25	0.12
		Loan Repayment	22.54	19.44	5.40	0.14
		Loan received	-	-	2.50	-
		Security Deposits returned	-	2.98	-	-
		Reimbursement of Expenses	0.01	-	0.19	-
		Sale of services	32.57	22.74	13.95	-

Tangy Supplies & Solutions Private Limited (Subsidiary)

(₹ in million)

S. No.	Name of Related Party	Nature of transaction	For the Financial Year ended March 31, 2020	For the Financial Year ended March 31, 2021	For the Financial Year ended March 31, 2022	For the six months period ended September 30, 2022
1.	Avon Solutions & Logistics Private Limited (subsidiary of holding company)	Sale of materials	0.00*	0.03	-	0.02
		Sale of Equipment	-	-	0.00*	-
		Services received	0.01	0.01	-	-
2.	Fusion Foods and Catering Private Limited (subsidiary of holding company)	Sale of materials	-	1.28	3.37	1.34
3.	Global Flight Handling Services Private Limited (subsidiary of holding company)	Sale of materials	-	-	0.90	1.73
4.	Integrated Technical Staffing and Solutions Private Limited (subsidiary of holding company)	Sale of materials	1.63	1.41	1.99	0.28
5.	Matrix Business Services India Private Limited (subsidiary of holding company)	Sale of materials	-	0.03	0.18	-
6.	Stanworth Management Private Limited (subsidiary of holding company)	Sale of materials	5.56	1.78	3.56	1.94
7.	Updater Services Limited (holding company)	Reimbursement of Expenses Received	1.25	-	-	-
		Sale of Equipment	37.78	16.87	16.78	16.83
		Sale of materials	252.17	200.63	198.73	120.91
		Services received	0.15	0.07	0.10	0.05
8.	Washroom Hygiene Concepts Private Limited (subsidiary of holding company)	Sale of materials	-	0.01	0.48	0.18
		Services received	5.09	2.38	0.22	0.00*
		Sale of Services	-	-	-	1.73
		Purchase of materials	-	-	-	0.18
9.	Wynwy Technologies Private Limited (subsidiary of holding company)	Sale of materials	0.05	-	-	-
		Services received	0.01	-	-	-

** Amounts are less than ₹ 5,000.*

Fusion Foods and Catering Private Limited (Subsidiary)

(₹ in million)

S. No.	Name of Related Party	Nature of transaction	For the Financial Year ended March 31, 2020	For the Financial Year ended March 31, 2021	For the Financial Year ended March 31, 2022	For the six months period ended September 30, 2022
1.	Stanworth Management Private Limited (subsidiary of holding company)	Sale of services	-	0.32	0.15	0.29
		Services received	0.81	4.31	1.63	0.10
2.	Tangy Supplies & Solutions Private Limited (subsidiary of holding company)	Materials purchased	-	1.28	3.37	1.34

Wynwy Technologies Private Limited (formerly known as Zappy Home Solutions Private Limited) (Subsidiary)

(₹ in million)

S. No.	Name of Related Party	Nature of transaction	For the Financial Year ended March 31, 2020	For the Financial Year ended March 31, 2021	For the Financial Year ended March 31, 2022	For the six months period ended September 30, 2022
1.	Tangy Supplies & Solutions Private Limited (subsidiary of holding company)	Purchase of materials	0.05	-	-	-
		Sale of services	0.01	-	-	-
2.	Updater Services Limited (holding company)	Interest Expenses	-	6.64	8.27	5.02
		Sale of goods	-	1.55	-	-
		Sale of services	1.15	-	-	-
		Services received	-	-	0.04	0.03
		Loan Repayment	1.28	1.85	-	-
		Loan Received	5.29	1.91	28.87	13.26

Global Flight Handling Services Private Limited (Subsidiary)

(₹ in million)

S. No.	Name of Related Party	Nature of transaction	For the Financial Year ended March 31, 2020	For the Financial Year ended March 31, 2021	For the Financial Year ended March 31, 2022	For the six months period ended September 30, 2022
1.	Tangy Supplies & Solutions Private Limited (subsidiary of holding company)	Materials purchased	-	-	0.90	1.73
2.	Updater Services Limited (Holding company)	Interest Expenses	-	0.66	2.83	4.09
		Sale of services	1.20	-	-	-
		Loan Received	3.20	3.65	53.24	36.11
		Loan Repaid	3.45	-	-	-
		Services received	-	-	14.66	23.70
3.	Global Flight Handling Services (Patna) Private Limited (subsidiary)	Interest Income	-	-	-	0.26
4.	Global Flight Handling Services (Raipur) Private Limited (subsidiary)	Interest Income	-	-	-	0.18
5.	Global Flight Handling Services (Surat) Private Limited (subsidiary)	Interest Income	-	-	-	0.24
6.	Global Flight Handling Services (Vizag) Private Limited (subsidiary)	Interest Income	-	-	-	0.14
7.	Global Flight Handling Services (Pune) Private Limited (subsidiary)	Interest Income	-	-	-	1.78
		Services provided	-	0.50	-	-

Matrix Business Services India Private Limited (Subsidiary)

(₹ in million)

S. No.	Name of Related Party	Nature of transaction	For the Financial Year ended March 31, 2020	For the Financial Year ended March 31, 2021	For the Financial Year ended March 31, 2022	For the six months period ended September 30, 2022
1.	Avon Solutions & Logistics Private Limited (subsidiary of holding company)	Services received	-	-	0.01	-
		Sale of services	-	-	0.06	0.01
2.	Denave India Private Limited (subsidiary of holding company)	Sale of services	-	-	0.02	0.01
		Services received	-	-	-	0.64
3.	Tangy Supplies & Solutions Private Limited (subsidiary of holding company)	Other Expenses	-	0.03	0.18	-
4.	Updater Services Limited (holding company)	Reimbursement of Expenses Received	2.36	-	-	-
		Sale of services	0.00*	0.02	0.04	0.09
		Services received	4.20	0.19	0.03	-
5.	Washroom Hygiene Concepts Private Limited (subsidiary of holding company)	Services received	-	0.03	0.04	0.07

* *Amounts are less than ₹ 5,000.*

Washroom Hygiene Concepts Private Limited (Subsidiary)

(₹ in million)

S. No.	Name of Related Party	Nature of transaction	For the Financial Year ended March 31, 2020	For the Financial Year ended March 31, 2021	For the Financial Year ended March 31, 2022	For the six months period ended September 30, 2022
1.	Avon Solutions & Logistics Private Limited (subsidiary of holding company)	Sale of goods	-	-	-	0.04
		Sale of Equipment	-	-	0.08	-
		Services received	-	0.01	0.82	1.73
2.	Matrix Business Services India Private Limited (subsidiary of holding company)	Sale of services	-	0.03	0.04	0.07

(₹ in million)

S. No.	Name of Related Party	Nature of transaction	For the Financial Year ended March 31, 2020	For the Financial Year ended March 31, 2021	For the Financial Year ended March 31, 2022	For the six months period ended September 30, 2022
3.	Tangy Supplies & Solutions Private Limited (subsidiary of holding company)	Purchase of materials	-	0.01	0.48	0.18
		Sale of goods	-	-	-	0.18
		Sale of services	5.09	2.38	0.22	0.00*
		Services received	-	-	-	1.73
4.	Updater Services Limited (holding company)	Reimbursement of Expenses Received	2.29	-	-	-
		Sale of goods	-	0.38	0.33	-
		Sale of services	0.21	0.35	0.90	0.52

Denave India Private Limited (Subsidiary)

(₹ in million)

S. No.	Name of Related Party	Nature of transaction	For the Financial Year ended March 31, 2020	For the Financial Year ended March 31, 2021	For the Financial Year ended March 31, 2022	For the six months period ended September 30, 2022
1.	Matrix Business Services India Private Limited (subsidiary of holding company)	Sale of services	-	-	-	0.64
		Services received	-	-	0.02	0.01
2.	Updater Services Limited (holding company of Denave India Private Limited)	Sale of services	-	-	2.56	-
3.	Denave Pte Limited (Entity under common control)	Services rendered	-	-	119.70	39.48
		Services received	-	-	391.51	275.96
4.	Denave Europe Limited (subsidiary)	Services rendered	-	-	19.32	13.51
		Services received	-	-	22.64	8.28
5.	Denave (M) SDN BHD (subsidiary)	Services rendered	-	-	29.99	12.16

Denave Pte Limited (Entity under common control)

(₹ in million)

S. No.	Name of Related Party	Nature of transaction	For the Financial Year ended March 31, 2020	For the Financial Year ended March 31, 2021	For the Financial Year ended March 31, 2022	For the six months period ended September 30, 2022
1.	Denave India Private Limited (Holding company)	Services rendered	-	-	391.51	275.96
		Services received	-	-	119.70	39.48
2.	Denave (M) SDN BHD (subsidiary of holding company)	Services received	-	-	271.72	194.09

Denave Europe Limited (step down subsidiary)

(₹ in million)

S. No.	Name of Related Party	Nature of transaction	For the Financial Year ended March 31, 2020	For the Financial Year ended March 31, 2021	For the Financial Year ended March 31, 2022	For the six months period ended September 30, 2022
1.	Denave India Private Limited (holding company)	Services rendered	-	-	22.64	8.28
		Services received	-	-	19.32	13.51

Denave (M) SDN BHD (step down subsidiary)

(₹ in million)

S. No.	Name of Related Party	Nature of transaction	For the Financial Year ended March 31, 2020	For the Financial Year ended March 31, 2021	For the Financial Year ended March 31, 2022	For the six months period ended September 30, 2022
1.	Denave India Private Limited (holding company)	Services received	-	-	29.99	12.16
2.	Denave Pte Limited (Entity under	Services rendered	-	-	271.72	194.09

(₹ in million)

S. No.	Name of Related Party	Nature of transaction	For the Financial Year ended March 31, 2020	For the Financial Year ended March 31, 2021	For the Financial Year ended March 31, 2022	For the six months period ended September 30, 2022
	common control of holding company)					

Global Flight Handling Services (Pune) Private Limited (step down subsidiary)

(₹ in million)

S. No.	Name of Related Party	Nature of transaction	For the Financial Year ended March 31, 2020	For the Financial Year ended March 31, 2021	For the Financial Year ended March 31, 2022	For the six months period ended September 30, 2022
1.	Global Flight Handling Services Private Limited (holding company)	Services received	-	0.50	-	-
		Interest Expense	-	-	-	1.78

Global Flight Handling Services (Patna) Private Limited (step down subsidiary)

(₹ in million)

S. No.	Name of Related Party	Nature of transaction	For the Financial Year ended March 31, 2020	For the Financial Year ended March 31, 2021	For the Financial Year ended March 31, 2022	For the six months period ended September 30, 2022
1.	Global Flight Handling Services Private Limited (holding company)	Interest Expense	-	-	-	0.26

Global Flight Handling Services (Raipur) Private Limited (step down subsidiary)

(₹ in million)

S. No.	Name of Related Party	Nature of transaction	For the Financial Year ended March 31, 2020	For the Financial Year ended March 31, 2021	For the Financial Year ended March 31, 2022	For the six months period ended September 30, 2022
1.	Global Flight Handling Services Private Limited (holding company)	Interest Expense	-	-	-	0.18

Global Flight Handling Services (Vizag) Private Limited (step down subsidiary)

(₹ in million)

S. No.	Name of Related Party	Nature of transaction	For the Financial Year ended March 31, 2020	For the Financial Year ended March 31, 2021	For the Financial Year ended March 31, 2022	For the six months period ended September 30, 2022
1.	Global Flight Handling Services Private Limited (holding company)	Interest Expense	-	-	-	0.14

Global Flight Handling Services (Surat) Private Limited (step down subsidiary)

(₹ in million)

S. No.	Name of Related Party	Nature of transaction	For the Financial Year ended March 31, 2020	For the Financial Year ended March 31, 2021	For the Financial Year ended March 31, 2022	For the six months period ended September 30, 2022
1.	Global Flight Handling Services Private Limited (holding company)	Interest Expense	-	-	-	0.24

For further details of related party transactions as per the requirements of Ind AS 24 read with SEBI ICDR Regulations for the Financial Years ended March 31, 2020, March 31, 2021 and March 31, 2022, and for the six months period ended September 30, 2022, see "*Related Party Transactions*" on page 492.

Financing arrangements

There have been no financing arrangements whereby our Promoters, members of the Promoter Group, our Directors and their relatives (as defined in Companies Act, 2013) have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity, during a period of six months immediately preceding the date of this Draft Red Herring Prospectus.

Weighted average price at which equity shares were acquired by the Promoters and the Selling Shareholders in the one year preceding the date of this Draft Red Herring Prospectus

No Equity Shares were acquired by the Promoters and the Selling Shareholders in the one year preceding the date of this Draft Red Herring Prospectus.

Weighted average cost of acquisition of all shares transacted in the one year, 18 months and three years preceding the date of this Draft Red Herring Prospectus:

The weighted average cost of acquisition for all Equity Shares acquired in one year, 18 months and three years preceding the date of this Draft Red Herring Prospectus is set forth below:

Period	Weighted average cost of acquisition per Equity Share (in ₹)^	Cap Price is 'x' times the weighted average cost of acquisition*	Range of acquisition price per Equity Share: lowest price – highest price (in ₹)*
Last one year preceding the date of this Draft Red Herring Prospectus	47.43	[●]	0 – 325
Last 18 months preceding the date of this Draft Red Herring Prospectus	47.43	[●]	0 – 325
Last three years preceding the date of this Draft Red Herring Prospectus	55.65	[●]	0 – 325

^ As certified by Lodha & Co, Chartered Accountants, by way of their certificate dated March 29, 2023.
* *To be updated in the Prospectus, following finalisation of the Cap Price.*

Details of price at which Equity Shares were acquired in the three years preceding the date of this Draft Red Herring Prospectus

The details of the price at which Equity Shares specified securities were acquired in the three years preceding the date of this Draft Red Herring Prospectus, by our Promoters, Promoter Group, Selling Shareholders and Shareholders with the right to nominate a director or with other rights, are disclosed below:

S. No.	Name of the acquirer / shareholder	Date of acquisition of Equity Shares	Number of Equity Shares acquired	Acquisition price per equity share^ (in ₹)
Promoters				
1.	Raghunandana Tangirala	March 31, 2021	140,000	110
2.	Shanthi Tangirala	Nil	Nil	Nil
Promoter Group				
3.	Tangi Facility Solutions Private Limited*	Nil	Nil	Nil
Selling Shareholders				
4.	India Business Excellence Fund – II	Nil	Nil	Nil
5.	India Business Excellence Fund – IIA	Nil	Nil	Nil

^As certified by Lodha & Co, Chartered Accountants, by way of their certificate dated March 29, 2023.
** Also a Selling Shareholder.*

None of our Shareholders have the right to nominate directors or other special rights.

Average cost of acquisition of Equity Shares by our Promoters and the Selling Shareholders

The average cost of acquisition of Equity Shares acquired by our Promoters and the Selling Shareholders as at the date of this Draft Red Herring Prospectus is set forth below:

S. No.	Name	Number of Equity Shares	Average cost of acquisition per Equity Share (in ₹) #
Promoters			
1.	Raghunandana Tangirala	15,587,702	1.01
2.	Shanthi Tangirala	16,237,705	0.02
Selling Shareholders			
3.	Tangi Facility Solutions Private Limited	11,173,440	46.92
4.	India Business Excellence Fund – II	2,889,161	110.76
5.	India Business Excellence Fund – IIA	6,139,468	110.76

As certified by Lodha & Co, Chartered Accountants, by way of their certificate dated March 29, 2023.

For further details regarding the promoter shareholding, see "*Capital Structure – Build-up of our Promoters' shareholding in our Company*" on page 100.

Details of pre-IPO placement

Our Company, in consultation with the BRLMs, may consider a pre-IPO placement of up to [●] Equity Shares or any other securities of the Company as may be permissible, through a preferential issue or any other method as may be permitted in accordance with applicable law, to any person(s), for cash consideration aggregating up to ₹ 800.00 million, at its discretion, prior to filing of the Red Herring Prospectus with the RoC ("**Pre-IPO Placement**"). If the Pre-IPO Placement is completed, the Fresh Issue size will be reduced to the extent of such Pre-IPO Placement, subject to the Offer complying with Rule 19(2)(b) of the SCRR.

Issue of Equity Shares for consideration other than cash in the last one year

Except for the preferential allotment of 134,988 Equity Shares to the Shareholders of Matrix Business Services India Private Limited, our Company has not issued any Equity Shares for consideration other than cash in the one year preceding the date of this Draft Red Herring Prospectus. For further details of the Equity Shares issued for consideration other than cash, see "*Capital Structure – Equity Shares issued for consideration other than cash or out of revaluation reserves*" on page 96.

Split or consolidation of Equity Shares in the last one year

Our Company has not undertaken a split or consolidation of the Equity Shares in the one year preceding the date of this Draft Red Herring Prospectus.

Exemption from complying with any provisions of securities laws, if any, granted by SEBI

Our Company has not made any application under Regulation 300(1) of the SEBI ICDR Regulations for seeking an exemption from complying with any provisions of securities laws by SEBI as on the date of this Draft Red Herring Prospectus.

SECTION III – RISK FACTORS

An investment in equity shares involves a high degree of risk. Investors should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations, cash flows and financial condition could suffer, the price of the Equity Shares could decline, and you may lose all or part of your investment. In making an investment decision, you must rely on your own examination of us and the terms of the Offer, including the merits and risks involved, and you should consult your tax, financial and legal advisors about the particular consequences of investing in the Offer. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment which may differ in certain respects from that of other countries.

The risks and uncertainties described in this section are not the only risks that we may face or our Equity Shares or the industry and segments in which we currently operate or propose to operate. The financial and other related implications of the risk factors, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the financial impact is not quantifiable and, therefore, such financial impact cannot be disclosed in such risk factors. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section.

This Draft Red Herring Prospectus also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. For details, see section "Forward-Looking Statements" beginning on page 20.

To obtain a complete understanding, prospective investors should read this section in conjunction with the sections "Our Business", "Industry Overview" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 198, 161 and 495, respectively, as well as the other financial and statistical information contained in this Draft Red Herring Prospectus.

Unless otherwise indicated or the context otherwise requires, the financial information as of and for the Financial Years ended March 31, 2020, March 31, 2021, and March 31, 2022, and as of and for the six months period ended September 30, 2022 included herein is derived from our Restated Consolidated Financial Information, included in this Draft Red Herring Prospectus. For further information, see "Restated Consolidated Financial Information" on page 277. Further, unless otherwise indicated or the context otherwise requires, all operational information included herein for the Financial Years ended March 31, 2020, March 31, 2021, and March 31, 2022 and the six months period ended September 30, 2022, is on a consolidated basis. Since we acquired Athena post September 30, 2022, we have included proforma consolidated balance sheet to give effect to the impact of this acquisition on our financial position as at March 31, 2022 and as at the six months ended September 30, 2022 as if the acquisition occurred as at March 31, 2022 and as at the six months ended September 30, 2022, respectively. We have also included proforma consolidated statement of profit and loss for the Financial Year ended March 31, 2022 and for the six months period ended September 30, 2022 to give effect to the impact of this acquisition on our results of operations as if it occurred on April 1, 2021 and April 1, 2022, respectively, under "Proforma Financial Information" on page 382. Also see "– The Proforma Financial Information included in this Draft Red Herring Prospectus may not be indicative of our actual results of operations and financial position for such periods or as of such dates, or of expected results of operations in future periods or our future financial position." on page 40. For further details in relation to this acquisition, see "History and Certain Corporate Matters – Details regarding acquisition or divestment of business or undertakings" on page 236.

*Unless otherwise indicated, industry and market data used in this section has been derived from the report "Assessment of Integrated Facilities Management Market in India" dated March 27, 2023 (the "**F&S Report**") prepared and released by Frost & Sullivan and commissioned and paid for by us and prepared exclusively in connection with the Offer. We officially engaged Frost & Sullivan for purposes of commissioning the F&S Report for the Offer pursuant to an engagement letter dated July 9, 2021 and addendum dated August 17, 2022. The F&S Report is available at the following web-link: www.Uds.in/Investor-Relations/Industry_Report. The F&S Report was prepared using publicly available financial information. Frost & Sullivan is not related in any manner to our Company or any of our Directors or Promoters. Unless otherwise indicated, all financial, operational, industry and other related information derived from the F&S Report and included herein with respect to any particular year refers to such information for the relevant calendar year.*

Unless the context otherwise requires, in this section, references to "our Company", "the Company", "we", "us" or "our", refers to Updater Services Limited, on a consolidated basis.

INTERNAL RISK FACTORS

1. Operational risks are inherent in our business as it includes rendering services in contrasting environments. A failure to manage such risks including any errors, defects or disruption in our service or inability to meet expected or agreed service standards, could have an adverse impact on our business, cash flows, results of operations and financial condition.

Certain operational risks are inherent in our businesses due to the nature of the industry in which we operate. We render various business services at customer premises in a number of environments. Our reputation is dependent upon the performance of the personnel we place with our customers and the services rendered by such personnel. Any errors, defects, or disruptions in service or other performance issues, or if our customers become dissatisfied with the performance of our personnel, or our account managers, or if they do not perform in accordance with the instructions or standards established by the customers or agreed by us, our business reputation and ability to maintain or expand our customer base may be adversely affected. For instance, under a mechanical and electrical contract with a customer, one of our employees deployed at the customer location who was responsible to operate the pump station, inadvertently left the water outlet open. This resulted in flooding of the basement, and motors and electric panels were damaged. Our Company was required to repair / replace certain of these equipment and the cost of such repair / replacement was partially offset by our insurance policy. In another instance, we received a complaint from one of our customers during the calendar year 2021, alleging that one of our employees working at the customer's premises and responsible for maintaining and providing manpower to the customer, had created a fake attendance list in collusion with another of our employees and two employees of the customer, and misappropriated funds through payment of salary in the name of such fictitious persons forming part of the fake list. For further details, please see "- *We have received and may in the future receive anonymous whistle blower complaints, which may adversely affect our reputation, which could consequently adversely impact our business, cash flows, financial condition and results of operation.*" on page 39. Further, our customers may bring claims against us in such a case, which could lead to provision for doubtful accounts, an increase in collection cycles for accounts receivable or litigation costs. All these factors could adversely affect our business, cash flows and results of operations.

Our business operations, and in particular, our integrated facility management services, are subject to hazards inherent in providing such services, including risk of equipment failure, production loss to customers, work accidents, food poisoning, fire or explosion, including hazards that may cause injury and loss of life, severe damage to and destruction of property and equipment, and environmental damage. Should any of these risks materialise, there may also be a loss in the reputation of our customers. Further, our integrated facility management services, pest control services and feminine hygiene services involve the handling of chemicals such as insecticides and other chemicals required for fumigation, cleaning solutions and disinfectants, which, if handled improperly, may have an adverse impact on the health of our employees, customers and on the environment. Consequently, our business is associated with numerous safety and public health concerns.

While we believe we have adequate insurance coverage, we may be subject to substantial liabilities if we fail to satisfy applicable safety or health standards or cause harm to individuals or entities in the course of rendering our services, the impact of which may exceed the insurance coverage we maintain. Further, our success in these businesses is dependent on our reputation for providing quality services, track record of safety and performance, and our relationship with our customers. Adverse publicity resulting from an accident or other hazardous incident could result in a negative perception of our services and the loss of existing or potential customers.

While we believe that we have in place adequate corporate, crisis response, training and management policies and protocols, a failure to adequately address and manage risks inherent in our business, a failure to meet the operational requirements of our customers, or a failure to develop effective risk mitigation measures, or respond adequately to a crisis situation, could have an adverse effect on our reputation, customer retention, earnings and profitability and consequently, our business, cash flows, results of operations and financial condition may also be adversely impacted. Such risks and other unanticipated operational hazards could also lead to additional regulatory scrutiny and potential liability to third party claims, which could have a material adverse effect on our business growth prospects, cash flows, results of operations and financial condition.

2. ***We have a large workforce deployed across workplaces and customer premises. Consequently, we may be exposed to service-related claims and losses or employee disruptions that could have an adverse effect on our reputation, business, cash flows, results of operations and financial condition.***

Given the nature of our business, we have a large workforce. As of December 31, 2022, we employed 68,344 personnel across a network of 4,656 locations (excluding staffing locations) to undertake our operations. Consequently, our ability to control the workplace environment in such circumstances is limited. The risks associated with the deployment of our personnel include possible claims relating to:

- actions or inactions of our personnel, including matters for which we may have to indemnify our customers;
- inappropriate behaviour on part of our personnel, including sexual harassment of the employees at our customer locations;
- labour unrest, strikes, lockouts and other labour action;
- failure of our personnel to adequately perform their duties including rendering deficient services, shortage in shift, absenteeism or lateness;
- violation by our personnel of security, privacy, health and safety regulations;
- any failure by us to adequately verify employee and personnel backgrounds and qualifications resulting in deficient services;
- employee errors, malicious acts by existing or former employees;
- damage to the customer's facilities or property due to negligence of our employees;
- breach of confidentiality by existing or former employees; and
- criminal acts, torts or other negligent acts by our employees.

These claims may give rise to litigation and claims for damages, which could be time-consuming. These claims may also result in negative publicity and adversely impact our reputation and brand name. For details, see "*Outstanding Litigation and Other Material Developments*" on page 552.

In addition, as per the terms of some of our customer contracts, we indemnify our customers against losses or damages suffered by our customers as a result of negligent acts of our employees. The aggregate indemnity claims paid to customers during the Financial Years ended March 31, 2020, March 31, 2021 and March 31, 2022 were Nil, ₹ 0.16 million and ₹ 1.6 million, respectively. No indemnity claim was paid to any customer in the six months period ended September 30, 2022.

3. ***Our businesses are manpower intensive and our inability to attract and retain skilled manpower could have an adverse impact on our growth, business and financial condition. Further, in the event we are not able to manage our attrition, we may not be able to meet the expectations of our customers, which may have an adverse impact on our financial condition.***

The integrated business services we offer are manpower intensive and we hire a considerable number of personnel every year to sustain our growth. For instance, our total number of employees were 57,695 within our IFM & Other services segment and 10,649 within our BSS segment as on December 31, 2022.

The cost of hiring and retaining our personnel affects our profitability, and is affected by a number of factors, including our ability to hire and assimilate new employees in the jurisdictions where we operate; our ability to manage attrition; our need to devote time and resources to training, professional development and other non-chargeable activities; and our ability to manage our workforce.

We cannot assure you that we will be able to meet our manpower requirements in the future or grow the number of our employees in a consistent manner. Our business operations and financial performance may be adversely affected if we are unable to find sufficient personnel for our staffing and other businesses. In addition, we must continually evaluate and upgrade our recruiting and training programs to keep pace with changing customer needs and emerging technologies. We generally recruit new personnel to service new contracts, and while we usually undertake surveys to determine our ability to service our contracts, there is no assurance that qualified personnel shall be available to us in sufficient numbers and on terms of employment acceptable to us. We may not be able to effectively meet the expectations of our customers due to our failure to identify personnel with the requisite skills, experience or other attributes, and our training programs may not succeed in developing effective skills in a timely manner or at all.

Further, we spend significant time and resources in training the manpower we recruit. For details of our training facilities, see "*Our Business – Human Resource and Training Initiatives*" on page 224. Our success is substantially dependent on our ability to recruit, train and retain skilled manpower. However, there may be instances, particularly in the case of lost large contracts or a large contract that may have expired, where our employees may join other service providers that secure or take over such contract, which may lead to a relatively higher rate of attrition in the segments in which we operate. Our attrition rate was 65.80% in the Financial Year ended March 31, 2022 and 34.25% (not annualised) in the six months period ended September 30, 2022. Higher attrition rates lead to an increase in our training and recruitment costs, which may have an adverse impact on our profitability and financial condition. High attrition and competition for manpower may limit our ability to attract and retain the skilled manpower necessary for us to meet our future growth requirements. There can be no assurance that skilled manpower will continue to be available in sufficient numbers and at wages suitable to our requirements.

4. A significant portion of our revenues are derived from a few geographical regions and any adverse developments affecting such regions could have an adverse effect on our business, cash flows, results of operation and financial condition.

A significant portion of our revenues are derived from our services offered to customer locations in southern India. The contribution of our southern Indian operations as a percentage of revenue from IFM & Other services segment of our Company during the Financial Years ended March 31, 2020, March 31, 2021 and March 31, 2022, and the six months period ended September 30, 2022, was 65.91%, 62.26%, 59.10% and 59.68%, respectively. Any decrease in revenues from south India, including due to increased competition or supply, or reduction in demand, in markets in which we operate, may have an adverse effect on our business, cash flows, results of operation and financial condition. Further, any significant disruption, including due to social, political or economic factors or natural calamities or civil disruptions, impacting these geographical regions may adversely affect our business. Additionally, changes in the policies of the state or local governments of these regions may require us to incur significant capital expenditure and change our business strategy. We cannot assure you that we will be able to address our reliance on these few geographical regions, in the future.

5. Our business could be adversely affected if our customers fail to renew their contracts with us or we fail to acquire new customers.

Our contracts with customers are generally in the form of cost plus and fixed price contracts. The term of the contracts we enter into with our customers typically range from twelve months to three years or in some cases, until such agreements are terminated or as long as there are subsisting statements of works with the customer. Within the duration of these contracts, the scope of services can vary depending upon the requirements of our customers. A substantial portion of our revenues is generated from repeat business. However, certain contracts with our customers, whilst not significant at the consolidated level, are also for specific services. Therefore, we need to seek new requirements or cross-sell our service offerings when our current services are completed or terminated with existing customers, and secure new customers in order to expand our business. Similarly, there is no assurance that customers availing our services will look to obtain further services from us or expand their relationship to avail our other offerings.

Further, if our customers shift their business for the services we offer to our competitors, or if we are unsuccessful in retaining high renewal rates and favorable contract terms, our business, financial condition, cash flows and results of operations may be adversely affected. The loss or diminution in business from any of our major customers could have a material adverse effect on our revenue from contracts with customers. We have experienced a few instances in the last three years where certain of our large customers have discontinued their relationship with us either on account of expiry of contract period or owing to issues around margin re-negotiations at renewal. We may not be able to renew our contracts on favorable terms, or at all, or engage new customers in time to reduce the overall customer attrition rate, which could materially adversely affect our revenue and thus our results of operations.

To increase our revenue, we must continue to attract new customers. Our success will depend to a substantial extent on the widespread adoption of our offerings. Numerous factors may impede our ability to add new customers, including but not limited to, our failure to compete effectively against competitors, failure to attract qualified personnel and effectively train our personnel, failure to successfully innovate and deploy new services or failure to provide a quality customer experience and customer support.

6. ***We face significant employee related regulatory risks and any significant disputes with our employees and/or concerned regulators may adversely affect our business prospects, cash flows, results of operations and financial condition. Further, we have significant employee benefit expenses, such as workers' compensation, staff welfare expenses and contribution to provident and other funds. In case we face an increase in employee costs that we are unable to pass on to our customers, we may be prevented from maintaining our competitive advantage and our profitability may be impacted.***

We employ a large workforce of 68,344 employees as of December 31, 2022. Inherent risks involved in managing such a large workforce includes possible discrimination and harassment claims for physical or sexual abuse, and other acts allegedly committed by our employees or agents, wrongful termination, violation of employment rights and minimum wage requirements, criminal activity or any other claims. Additionally, we are subject to labour legislations that protect the interests of workers, including legislations that set forth detailed procedures for the establishment of unions, dispute resolution and employee removal and impose certain financial obligations on employers upon retrenchment of employees, as well as laws and regulations relating to employee welfare and benefits such as minimum wage and maximum working hours, overtime, working conditions, non-discrimination, employee compensation, employee insurance, bonus, gratuity, provident fund, leave benefits and other such employee benefits. These legislations require compliance, from time to time, which may among others, involve payments to be made depending upon their period of employment. If we fail to comply with labour welfare legislations, we may be exposed to fines and we may also face the risk of our licenses under applicable legislations being cancelled or suspended. For instance, the Labour Enforcement Officer (Central) II, Hyderabad issued a notice dated March 9, 2021 (the "**Notice**") alleging that our Company violated the provisions of the Minimum Wages Act, 1948 in relation to the contract labours deployed at the site - Hyderabad Metro Rail Project of L&T Metro Rail (Hyderabad) Limited. It has further intimated through the Notice that the continuous violation will lead to the revocation of our license under the Contract Labour (Regulation & Abolition) Act, 1970. For details, see "*Outstanding Litigation and Other Material Developments*" on page 552. For further details on the labour laws and other regulations applicable to us, please refer to "*Key Regulations and Policies*" on page 228. Further, regulatory agencies in different states and courts in India may interpret compliance requirements differently, which may make compliance with laws and regulations more complex, time consuming and costly.

Additionally, while we believe that we maintain good relationships with our employees, there can be no assurance that we will not experience future disruptions to our operations due to disputes or other problems with our work force, which may adversely affect our business, cash flows and results of operations. There can also be no assurance that our employees will not unionize in the future. In the event our employee relationships deteriorate, or we experience strikes, lockouts and other similar action, work stoppages could occur and there could be an adverse impact on our delivery of services to customers. There can be no assurance that the corporate policies we have in place to help reduce our exposure to these risks will be effective or that we will not experience losses as a result of these risks. Any losses that we incur in this regard could have an adverse effect on our reputation, business, cash flows, results of operations and financial condition.

We also face the risk that lawsuits may be filed which could result in damages and other costs that our insurance may be inadequate to cover. In addition to diverting our management resources, such allegations may result in adverse publicity. Any adverse outcome in such litigations or our failure to comply with applicable labour legislation may result in orders that may materially and adversely impact our operations and may also result in reputational loss.

Moreover, since our business success depends on our reputation, adverse publicity could impact the demand for our services. Adverse publicity concerning reported incidents or allegations of physical or sexual abuse or other harm, whether or not directly relating to or involving us, could result in termination of existing corporate relationships or inability to attract new corporate relationships, or increased insurance costs, all of which could adversely affect our operations. While we have not had any instances of such termination in the past, we have faced incidents of strikes by our personnel deployed at customer premises. While these incidents were reported locally, the matters were resolved swiftly and there was no material impact on our business. However, we cannot assure you that our reputation will not be severely damaged even by isolated incidents in the future, particularly if the incidents receive considerable adverse publicity or result in substantial litigation.

We also incur various employee benefit expenses, including workers' compensation, staff welfare expenses and contribution to provident and other funds. Employee benefit expenses constituted the largest component of our total expenses, i.e. ₹ 10,542.57 million, ₹ 9,816.55 million, ₹ 10,681.77 million and ₹ 6,448.20 million, or 82.36%, 84.49%, 74.86% and 66.79% of our total expenses for the Financial Years ended March 31, 2020, March 31, 2021 and March 31, 2022, and the six months period ended September 30, 2022, respectively. In the event the welfare requirements under labour regulations applicable to us are changed, which leads to an increase in employee benefits payable by us, whether as a result of a negotiated increase by our employees or due to changes in applicable laws, there can be no assurance that we will be able to recover such increased amounts from our customers in a timely manner, or at all. Our profit margins may get adversely impacted if we are unable to pass on such costs and cost increases to our customers on a concurrent basis.

7. ***We have received and may in the future receive anonymous whistle blower complaints, which may adversely affect our reputation, which could consequently adversely impact our business, cash flows, financial condition and results of operation.***

We have received and may in the future receive anonymous whistle blower complaints, which may adversely affect our reputation, our business, cash flows, financial condition and results of operation. For instance, we received a complaint from one of our customers during the calendar year 2021, alleging that one of our employee**s** working at the customer's premises and responsible for maintaining and providing manpower to the customer**,** had created a fake attendance list in collusion with another of our employees and two employees of the customer, and misappropriated funds through payment of salary in the name of such fictitious persons forming part of the fake list. On receipt of the complaint, we conducted an internal enquiry and upon completion of the enquiry and basis the consultation with the customer, we filed a complaint dated November 16, 2021, with Chennai Metropolitan Police, Vepperi, Chennai. Thereafter, a first information report dated June 7, 2022 has been registered against the employee under Section 420 read with Section 34 of the Indian Penal Code, 1860. Separately, our management has initiated an independent special review of this matter and this entire exercise was undertaken with supervision by our Audit Committee. The independent agency in their report confirmed instances of misappropriation and also identified control gaps and process weaknesses and made recommendations for mitigating risks and process improvements. We have presented this report to our Board of Directors and the Audit Committee who have taken note of this report and guided appropriate action. Also see "*Outstanding Litigation and Other Material Developments*" on page 552.

In another instance, in one of our Subsidiary, Washroom Hygiene Concepts, salaries were transferred to accounts other than those specified in the records of Washroom Hygiene Concepts, including to persons who were no longer employees of this Subsidiary. Further, two employees of Washroom Hygiene Concepts were engaged in the supply of tissue rolls, napkins, urinal screens, cleaning fluid, among others, resulting in potential conflict of interest. Further, certain employees of Washroom Hygiene Concepts were involved in generating fake invoices for materials (including consumables) that were never delivered to the customer sites. Our management subsequently initiated an independent special review of this matter, and this entire exercise was undertaken under the supervision by our Audit Committee. The independent agency, in their report, confirmed lapses and made recommendations for mitigating risks and process improvements including appropriate disciplinary action by the management of our Company as well as by the management of Washroom Hygiene Concepts. This report was subsequently presented to our Board of Directors and the Audit Committee who have taken note of this report and guided appropriate action.

The findings from such inquiries for these complaints in future, including other anonymous letters and whistle blower complaints that we may receive may result in fines and/or corrective actions, and adversely impact our reputation, which could consequently adversely impact our business, cash flows, financial condition and results of operation.

We have a policy for addressing whistle blower complaints received. The policy lays down the procedure for reporting any event/information in relation to any such unethical practices, and the process to be followed for handling such reports/complaints has also been laid down in the policy. Further, the policy also provides for protection of whistle blowers' identity. However, despite such protective measures, we cannot assure you that we will not face such instances in the future and any such future instances could materially and adversely affect our business, cash flows, results of operations and financial condition.

We face the risk of inadvertently dismissing allegations which may prove to be plausible, at a later date.

The findings from the inquiries conducted by us and the other relevant authorities for such complaints that we have received/may receive in future may result in loss of business opportunities and/or customers and could adversely impact our reputation, which could consequently adversely impact our business, cash flows, financial conditions and results of operations.

8. ***The Proforma Financial Information included in this Draft Red Herring Prospectus may not be indicative of our actual results of operations and financial position for such periods or as of such dates, or of expected results of operations in future periods or our future financial position.***

This Draft Red Herring Prospectus contains the Proforma Financial Information of our Company as at and for the Financial Year ended March 31, 2022 and as at and for the six months period ended September 30, 2022, consisting of the proforma balance sheet as at March 31, 2022 and as at September 30, 2022, the proforma statement of profit and loss for the Financial Year ended March 31, 2022 and for the six months period ended September 30, 2022, the related notes to such Proforma Financial Information and the report to such Proforma Financial Information.

We have also included Proforma Financial Information in this Draft Red Herring Prospectus. The Proforma Financial Information have been prepared in accordance with the requirements of the SEBI ICDR Regulations, to give effect to the impact of the acquisition of Athena made after the date of latest consolidated financial statements of our Company i.e., September 30, 2022, on our Restated Consolidated Financial Information as of March 31, 2022 as if the acquisition happened on March 31, 2022, and as of September 30, 2022 as if the acquisition happened on September 30, 2022, and to illustrate the impact of the acquisition on our restated consolidated statement of profit and loss for the Financial Year ended March 31, 2022 and for the six months period ended September 30, 2022, as if the acquisition occurred on April 1, 2021 and April 1, 2022, respectively. The Proforma Financial Information addresses a hypothetical situation and does not represent our actual consolidated financial condition or results of operations and is not intended to be indicative of our future financial condition and results of operations. The adjustments set forth in the Proforma Financial Information are based upon available information and assumptions that our management believes to be reasonable. As the Proforma Financial Information is prepared for illustrative purposes only, it is, by its nature, subject to change and may not give an accurate picture of the actual financial results that would have occurred had such transactions by us been effected on the dates they are assumed to have been effected, and is not intended to be indicative of our future financial performance.

The Proforma Financial Information has not been prepared in accordance with generally accepted accounting principles including accounting standards and accordingly should not be relied upon as if it had been prepared in accordance with those principles and standards. Accordingly, the degree of reliance placed by anyone on such Proforma Financial Information should be limited. Further, the Proforma Financial Information has not been prepared in accordance with accounting or other standards and practices generally accepted in jurisdictions other than India, such as Regulation S-X under the U.S. Securities Act of 1933, as amended, and accordingly should not be relied upon as if they had been prepared in accordance with those standards and practices of any other jurisdiction. If the various assumptions underlying the preparation of the Proforma Financial Information do not come to pass, our actual results could be materially different from those indicated in the Proforma Financial Information. Accordingly, the Proforma Financial Information included in this Draft Red Herring Prospectus is not intended to be indicative of expected results or operations in the future periods or the future financial position of our Company or a substitute for our past results, and the degree of reliance placed by investors on our Proforma Financial Information should be limited.

Further, in the Proforma Financial Information, the goodwill and other acquisition related adjustments computed in case of acquisition of Athena is based on the purchase price allocation ("**PPA**") available with us as at March 31, 2022 and September 30, 2021 assessed on a provisional basis. The final PPA will be determined when we have completed detailed valuations and necessary calculations. The final allocation could differ from the provisional allocation used in proforma adjustments. The final allocation may include (i) changes in fair values of property, plant and equipment; (ii) changes in allocations to specified intangible assets as well as goodwill; and (iii) other changes to assets and liabilities.

Accordingly, the degree of reliance placed by investors on our Proforma Financial Information should be limited. For further details, see "*Proforma Financial Information*" on page 382.

9. ***Our revenues and profitability vary across our business segments, thereby making our future financial results less predictable.***

Our revenues and profitability vary across our business segments and sub-verticals within each business segment. Our results of operations may fluctuate in the future depending on a number of factors, including but not limited to:

- our ability to increase and/or maintain the proportion of our high-margin business segments, compared to the proportion of our relatively thin margin businesses;
- award of new contracts and contract renewals, and the selection process and timing for performing these contracts that are subject to contingencies beyond our control;
- the size, complexity, timing of revenue recognition, duration, scope, pricing terms and profitability of significant contracts;
- changes in our pricing policies or those of our competitors;
- financial condition or business prospects of our customers; and
- unanticipated cancellations or contract terminations.

As a result of these factors, our results of operations and cash flows may fluctuate from financial reporting period to period. A significant proportion of our operating expenses are fixed. Accordingly, unanticipated variations in our operations may result in variations in our results of operations in any particular financial period.

10. ***We may be unable to fully realize the anticipated benefits of our acquisitions, including that of Athena, and any future acquisitions or within our expected timeframe. If we are unable to identify expansion opportunities or experience delays or other problems in implementing our expansion efforts, our growth, business, cash flows, results of operations and financial condition may be adversely affected.***

We acquired 54.07% shareholding in Denave in the Financial Year ended March 31, 2022, and 57% shareholding in Athena in the Financial Year ended March 31, 2023. Further acquisitions in these two Subsidiaries are dependent on these entities meeting certain financial thresholds. For instance, our Company will be able to purchase the second and third tranches of the outstanding equity shares of Denave subject to satisfaction of certain conditions as mentioned in the investment agreement dated October 7, 2021 entered into between our Company, Denave and certain other persons. Similarly, while the first tranche of the outstanding equity shares of Athena has been acquired by our Company, the second and third tranches of the outstanding equity shares of Athena shall only be acquired subject to satisfaction of certain financial conditions as mentioned in the share purchase and shareholders' agreement dated December 14, 2022 entered into between our Company, Athena and certain other persons. For further details, see "*History and Certain Corporate Matters – Details regarding acquisition or divestment of business or undertakings*" on page 236.

We also intend to continue to explore selective strategic acquisitions both in India and outside, for inorganic growth. Our growth strategy depends on our ability to acquire and manage new businesses in the integrated business services space including integrated facilities management and business support services. We are continuously evaluating acquisition opportunities, some of which we may realize in the imminent future and which may be material to our business, cash flows, financial condition or results of operations. However, there is a possibility that we may not be able to identify suitable acquisition candidates or opportunities, negotiate attractive terms for such acquisitions, or expand, improve and augment our existing businesses. The number of attractive expansion opportunities may be limited, and attractive opportunities may command high valuations for which we may be unable to secure the necessary financing. The successful implementation of acquisitions depends on a range of factors, including funding arrangements, cultural compatibility and integration. There can be no assurance that such investments and acquisitions will achieve their anticipated benefits. If we are not able to successfully identify opportunities to build, acquire or expand our additional and existing integrated facilities management and allied businesses, or if we face difficulties in the process of developing, acquiring or expanding such operations, our business, cash flows, financial condition, results of operations and prospects may be materially and adversely affected. Acquisitions involve a significant number of risks, including, but not limited to, risks arising from change of control provisions in contracts of any acquired company, local law factors and risks associated with restructuring operations. Potential difficulties that we may encounter as part of an acquisition could include the following:

- our inability to turn around or grow a business, which may also result in our inability to meet acquisition finance costs
- underestimated costs associated with the acquisition, or over-valuation by us of acquired companies
- incurring of debt or loan liabilities in order to finance an acquisition and execution of financing agreements with restrictive covenants in relation to the same
- insufficient indemnification from the selling parties for legal liabilities incurred by the acquired company prior to the acquisition
- our failure to discover issues around an acquired company's intellectual property, customer relationships, accounting practices or regulatory compliances
- financial liabilities (including payment of arrears in remuneration and other labour welfare benefits) of acquired companies
- potential unknown liabilities, legal contingencies and unforeseen increased expenses or delays associated with the acquisition
- delays in the integration of strategies, operations and services and increased costs of integration
- integrating the operations and personnel of the acquired businesses and implementing uniform IT systems, controls, procedures and policies
- attrition and differences in business backgrounds, corporate cultures and management philosophies that may delay successful integration
- the possibility that the full benefits anticipated to result from the acquisition will not be realized
- reallocation of our management's time from our existing business as a result of the acquisition
- litigation or other claims in connection with acquired companies, including claims from terminated employees, customers, former stockholders or other third parties
- retaining key executives and other employees
- challenges associated with creating and enforcing uniform standards, controls, procedures and policies
- the disruption of, or the reduction in growth in, our ongoing businesses; and
- foreign exchange controls and other changes in regulatory environment.

If we are unable to successfully overcome the potential difficulties associated with the integration process and achieve our objectives following an acquisition, the anticipated benefits and synergies of our recent or any future acquisitions may not be realized fully, or at all, or may take longer to realize than expected. Additionally, no assurance can be given that any businesses acquired will be profitable. Any failure to realize anticipated benefits in a timely manner could have an adverse effect on our business, results of operations, financial condition and cash flows.

In addition, we may require additional financial resources for the successful expansion or reorganization of these recently acquired businesses and integrating their operations into our operations. An inability to raise adequate finances in a timely manner and on commercially acceptable terms for the expansion, reorganization or integration of these businesses with our existing operations could materially and adversely affect our business, cash flows, results of operations and financial condition.

11. We are dependent on our vendors for the supply of equipment and products that we use in providing our services and solutions. If these vendors were to fail in meeting their obligations, our business and operations would be materially adversely affected. Further, we may also be exposed to fluctuations in the prices of certain of these products and any volatility in their pricing may have an adverse effect on our business, cash flows, financial condition and results of operations.

We currently do not have any manufacturing facilities and procure our products and equipment from various vendors for the various services and solutions that we offer. We are therefore dependant on third parties for the manufacture of such products and equipment, and maintenance of adequate inventory to ensure that we are able to procure such products and equipment based on supply necessities. For instance, we exclusively buy bins and liners for our washroom hygiene solutions from a UK based supplier and to that extent, are dependent on them. Similarly, we purchase equipment such as cleaning devices for providing the soft services and given the limited number of suppliers for such equipment, our ability to bargain with such suppliers for better prices is also restricted.

The operations of our vendors are subject to various operating risks, including some which are beyond their control, which may include breakdowns and failure of equipment, industrial accidents, employee unrest, import duties, the outbreak of infectious diseases such as COVID-19, natural disasters, among others. We may be unable to replace our existing vendors at short notice, or at all, and may face delays in procurement and added costs as a result of the time required to on-board new vendors to undertake manufacturing in accordance with our standard processes and quality control standards. Further, we may also be exposed to fluctuations in the prices of these products and equipment and as consequence, may be unable to control the factors affecting the price at which we procure these materials. Upward fluctuations in the prices of such materials may thereby affect our margins and profitability, resulting in a material adverse effect on our business, cash flows, financial condition and results of operations.

While we strive to have adequate back-up arrangements in place to ensure adequate capacity and sourcing, we cannot assure you that we will always be able to arrange for alternate sources, at prices acceptable to us, or at all, or that we will be able to pass on any increase in cost to our customers. Any inability on our part to arrange for alternate vendors, on commercially acceptable terms, may have an adverse effect on our business, cash flows, results of operations and financial condition.

12. We may be unable to perform background verification procedures on our personnel as well as on our billable employees prior to placing them with our customers.

We do not ordinarily perform background verification procedures on all our personnel prior to employing them or engaging them. While we undertake such checks where specifically requested by our customers, given the high volume of personnel that we employ each month, and sufficiently reliable information being unavailable in some cases, we may be unable to fully perform background verification procedures on each of our personnel. Further, there may be situations where the information provided may be false or incomplete, resulting in inaccurate background checks. Our inability to perform these procedures fully and a lack of a centralised secure database, could result in insufficient vetting of our personnel, which could in turn result in an adverse effect on our reputation, cash flows, results of operations and business prospects if such personnel engaged in illegal or fraudulent activities during the course of their employment. For instance, we received a complaint from one of our customers during the calendar year 2021, alleging that one of our employee**s** working at the customer's premises and responsible for maintaining and providing manpower to the customer**,** had created a fake attendance list in collusion with another of our employees and two employees of the customer, and misappropriated funds through payment of salary in the name of such fictitious persons forming part of the fake list. For further details, see "- *We have received and may in the future receive anonymous whistle blower complaints, which may adversely affect our reputation, which could consequently adversely impact our business, cash flows, financial condition and results of operation.*" on page 35. Further, failure to perform such verification procedures (where applicable under the contract) does not typically result in monetary penalties by our customers, but may lead to terminations of our personnel by our customers and replacements need to be provided.

13. Our Statutory Auditors have included certain qualifications and observations in their auditor's report on our audited consolidated financial statements as at and for the Financial Year ended March 31, 2022, and the annexure to the auditor's reports as required under the Companies (Auditor's Report) Order, 2020, and on the internal financial controls under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 in respect of our Company and certain of our Subsidiaries. Our Statutory Auditors have also included certain emphasis of matters in their auditor's report on our audited consolidated financial statements as at and for the Financial Years ended March 31, 2021 and 2022.

Our Statutory Auditors have included certain qualifications and observations in their auditor's reports on our audited consolidated financial statements for the year ended March 31, 2022 and the annexure to the auditor's reports on Companies (Auditor's Report) Order, 2020 ("**CARO**") and on the internal financial controls under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013, in respect of our Company and certain of our Subsidiaries. Our Statutory Auditors have also included certain emphasis of matters in their auditor's report on our audited consolidated financial statements as at and for the Financial Years ended March 31, 2021 and 2022. Details of these qualifications, observations and emphasis of matters are set forth hereunder.

Qualified opinion in the Statutory Auditor's report on our audited consolidated financial statements as at and for the Financial Year ended March 31, 2022:

In respect of our Company, our Statutory Auditors have included the following qualification:

Our Statutory Auditors have drawn attention to a specific note to our audited consolidated financial statements as at and for the year ended March 31, 2022, regarding certain instances of irregularities in disbursement / payment of salary to fictitious and resigned employees in the then current as well as earlier years in relation to our Subsidiary, Washroom Hygiene Concepts Private Limited, the statutory auditors of which are our Statutory Auditors. Based on initial inquiries, management of the Subsidiary has quantified the possible impact of such irregularities to be ₹ 1.00 million (including ₹ 0.86 million relating to earlier years) and recovered such amounts from the employees concerned, during the then current year. In this regard, the Subsidiary had further initiated a forensic investigation of such irregularities by engaging an external independent specialist and pending the completion of the same, they were unable to comment on the impact, if any, on the consolidated financial statements for the year ended March 31, 2022.

Further, our Statutory Auditors have also included certain qualifications in the report on the internal financial controls with respect to our consolidated financial statements under section 143(3)(i) of the Companies Act, in annexure II to the auditor's report, as stated below:

(i) The internal controls over timely identification of customer claims, their reconciliations and assessment of contractual compliance by our Company for recording the appropriate adjustments, were not operating effectively, which may result in incorrect or inappropriate revenue recognition.

(ii) The internal controls over our Company's compliance with GST regulations as regards credit notes were not operating effectively, which may result in recognising incorrect GST credits / receivables and any consequent liabilities under applicable laws and regulations.

(iii) The IT general controls, including controls over change management and access control were not operating effectively, which may result in material misstatements of our Company's financial statements.

(iv) The internal controls over monitoring and responding to whistle blower allegations received were not operating effectively.

(v) Further, in respect of our Subsidiary, Washroom Hygiene Concepts Private Limited, our Statutory Auditors have issued a disclaimer of opinion as the subsidiary has not established its internal financial control framework with reference to financial statements based on or considering the essential components of internal control stated in Guidance Note issued by ICAI.

Qualifications or adverse remarks in the annexure to the auditor's report on our audited consolidated financial statements required under Companies (Auditors Report) Order, 2020 ("CARO") as at and for the Financial Year ended March 31, 2022:

Name of the entity	Nature of entity	Clause number of section 3 of the CARO which is unfavourable or qualified or adverse	Remarks (basis the respective entities' auditors' reports)
Updater Services Limited	Issuer / parent entity	Clause (ii)(b)	Discrepancies in respect of particulars filed by our Company with banks were not in agreement with the books since our Company's financial closure process was not fully completed at the time of filing quarterly statements
		Clause (vii)(a)	There were delays noted in the remittance of certain undisputed statutory dues and certain undisputed statutory dues were outstanding for a period exceeding six months from the due date
		Clause (xi)(a)	Owing to certain discrepancies in the internal financial controls of our Company, the auditors were not able to comment on whether or not frauds have been made by the Company or on the Company.
Washroom Hygiene Concepts Private Limited	Subsidiary	Clause (i)(b)	Certain property, plant and equipment were not physically verified as per the company's policy since there were present in a customer's location
		Clause (ii)(a)	Appropriate records to distinguish tracking of trading inventory separately from consumables inventory were not available resulting in inability to determine if discrepancies during physical verification were in excess of 10% for each class of inventory

Name of the entity	Nature of entity	Clause number of section 3 of the CARO which is unfavourable or qualified or adverse	Remarks (basis the respective entities' auditors' reports)
		Clause (vii)(a)	There were delays noted in the remittance of certain undisputed statutory dues and certain undisputed statutory dues were outstanding for a period exceeding six months from the due date
		Clause (xi)(a)	Certain frauds on the Company were noted during the year which were pending investigation as of the date of approval of the financial statements
		Clause (xi)(c)	There was a whistle blower complaint during the year and it was pending investigation as at the time of the audit
Wynwy Technologies Private Limited	Subsidiary	Clause (vii)(a)	There were minor delays in remittance of certain statutory dues
Tangy Supplies and Solutions Private Limited	Subsidiary	Clause (vii)(a)	There were minor delays in remittance of certain statutory dues
Fusion Foods and Catering Private Limited	Subsidiary	Clause (vii)(a)	There were minor delays in remittance of certain statutory dues
Avon Solutions & Logistics Private Limited	Subsidiary	Clause (vii)(a)	There were delays noted in the remittance of certain undisputed statutory dues and certain undisputed statutory dues were outstanding for a period exceeding six months from the due date

Emphasis of matter in our Statutory Auditor's report on the audited consolidated financial statements as at and for the Financial Year ended March 31, 2022

Our Statutory Auditors have drawn attention to a specific note to our audited consolidated financial statements as at and for the year ended March 31, 2022, which states that our Company has corrected certain prior period errors in respect of the matter more fully described in that note, by restating the comparative amounts for the year ended March 31, 2021, and the opening balances as at April 1, 2020 in accordance with the applicable accounting standards. The opinion of our Statutory Auditors is not modified in respect of this matter.

Emphasis of matter in our Statutory Auditor's report on the audited consolidated financial statements as at and for the Financial Year ended March 31, 2021

Our Statutory Auditors have drawn attention to a specific note to our audited consolidated financial statements as at and for the year ended March 31, 2021, relating to rectification and restatement of items described therein (primarily intangible assets and deferred taxes) as at and for the Financial Year ended March 31, 2020 in accordance with the applicable accounting standards.

For further information, see "*Financial Information*" on page 277.

There can be no assurance that any similar qualifications, remarks, emphasis of matter or observations will not form part of our financial statements for the future fiscal periods, which could subject us to additional liabilities due to which our financial condition may be adversely affected.

14. The COVID-19 pandemic, or a similar public health threat, has had an impact and could further impact our business, cash flows, financial condition and results of operations.

An outbreak of COVID-19 was recognized as a pandemic by the World Health Organization ("**WHO**") on March 11, 2020. In response to the COVID-19 outbreak, the governments of many countries, including India, had taken and may continue to take preventive or protective actions, such as imposing country-wide lockdowns, restrictions on travel and business operations and advising or requiring individuals to limit their time outside of their homes. Temporary closures of businesses were ordered and numerous other businesses were temporarily closed on a voluntary basis as well. The scope, duration, and frequency of such measures and the adverse effects of COVID-19 remain uncertain and could be severe. Resurgence of the virus or a variant of the virus that causes a rapid increase in cases and deaths, if measures taken by governments fail or if vaccinations are not administered as planned, may cause significant economic disruption in India and in the rest of the world.

The integrated business services was impacted during the first quarter of the Financial Year ended March 31, 2021 as most offices and other business establishments had temporarily closed operations in response to a government-mandated lockdown. Our revenue from contracts with customers and profitability was adversely impacted in the Financial Year ended March 31, 2021 as we witnessed a reduction of manpower and a number of our customers were subjected to various lockdowns that were imposed throughout the year. Owing to the COVID-19 pandemic, the operations at the locations of a number of our customers were disrupted and consequently, we witnessed a slight reduction in our revenue from contracts with customers from ₹ 13,148.86 million in the Financial Year ended March 31, 2020 to ₹ 12,100.32 million in the Financial Year ended March 31, 2021. Our total income also consequently reduced from ₹ 13,167.81 million in the Financial Year ended March 31, 2020 to ₹ 12,163.51 million in the Financial Year ended March 31, 2021. Subsequently, our revenue from contracts with customers for the Financial Year ended March 31, 2022 and for the six months period ended September 30, 2022 was ₹ 14,835.52 million and ₹ 9,851.16 million, respectively.

Additionally, several state and local governments had imposed lockdowns in response to the resurgence of the COVID-19 pandemic in the late last quarter of the Financial Year ended March 31, 2021 and first quarter of the Financial Year ended March 31, 2022, and several offices and other business establishments had temporarily closed during this period once again. While operations at the premises of our customers were initially suspended during the lockdown due to the Government orders, we have been able to resume operations in compliance with the mandated social distancing and hygiene guidelines post the relaxations granted. Further spread or resurgence of the COVID-19 pandemic, as well as government actions and lockdowns to contain the spread of COVID-19 could adversely impact us. Further, in connection with public health threats, we may also be required to temporarily close our corporate offices and have our employees work remotely, as we have done in connection with the COVID-19 pandemic, which impacts productivity and otherwise disrupts our business operations.

We had considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, unbilled revenues and investments, property, plant and equipment, right of use assets and intangible assets including goodwill. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, we had used internal and external sources of information including credit reports and related information and economic forecasts. Basis such evaluation, our management did not expect any adverse impact on its future cash flows and shall be able to continue as a going concern and meet its obligations as and when they fall due. The impact of COVID-19 may differ from that estimated and we will continue to monitor future economic conditions for any significant change.

15. ***Our Company received foreign direct investment in the year 2017 under the automatic route, though private security agency services (which contributed to less than 3.00% of our Company's revenue) was not covered under the automatic route. Any action by the regulatory or statutory authority may affect our business and prospects.***

As part of our portfolio of services, our Company has in the past, provided, and continues to provide, private security agency services to certain select customers. The revenue generated from this service has, however, never been more than 3.00% of our total income until the latest period for which, financial statements have been disclosed in this Draft Red Herring Prospectus, i.e. as at and for the six months period ended September 30, 2022. Our Company received foreign direct investment from India Business Excellence Fund - IIA in 2017 ("**FDI Investment**"). While the necessary returns were filed with the regulatory authorities in relation to the FDI Investment, our Company did not seek specific approval from Department for Promotion of Industry & Internal Trade ("**DPIIT**"), for the FDI Investment, since approximately 97% of our Company's revenue was covered under the automatic route.

The Foreign Exchange Management (Non-debt Instruments) Rules, 2019, as amended (the "**Rules**") and the erstwhile regulations prevailing at the time of the FDI Investment permits foreign direct investment up to 49% in private security agencies with prior Government approval. In light of the above, our Company, pursuant to its application dated November 24, 2021 to the Secretary, DPIIT, sought post facto approval of the abovementioned FDI Investment **p**ursuant to which**,** we received a letter dated May 4, 2022 from the Under Secretary to the Government of India, Police Modernisation Division, Ministry of Home Affairs ("**MHA**") requiring us to ascertain the specific portion of such FDI Investment towards our private security agency services. Our Company, pursuant its response dated May 10, 2022, clarified to the MHA that no part of such FDI Investment was used in the private security agency services provided by us.

The MHA thereafter, pursuant to their letter dated May 13, 2022, stated the following: (a) all of the service provided by the Company (constituting approximately 97% of the Company's total income) except private security agency service (constituting approximately 3.00% of the Company's total income) are subject to the automatic route for FDI purposes; (b) no part of the FDI inflow brought in by the Company in 2016-2017 was used towards providing private security agency services; and (c) no future proposed FDI inflow pursuant to the Offer would be used for the private security agency service business of the Company; and consequently, our application was closed. Further, the MHA directed us to file a fresh application provided our Company is engaged only in activities regulated by the Private Security Agencies (Regulation) Act, 2005, as amended, i.e., private security agency services. Since we are not engaged only in private security agency services, we have not filed any fresh application with the MHA. We cannot assure you that the MHA or any other regulatory or statutory authority will not initiate any regulatory proceedings or actions against us in the future, or that we will not be subject to any penalty imposed by the competent regulatory authority on similar matters or any other matter. Any action by any statutory or regulatory authority in this regard may affect our business and prospects.

16. ***Our costs of integrating and developing new services may outweigh the benefits received from such services in terms of revenue or profitability. Further, we may not be able to successfully grow our new businesses which may result in an adverse impact on our prospects and our revenues.***

We offer a wide variety of services, including services which are relatively new to our portfolio, such as employee background checking and Audit and Assurance, through our Subsidiary, Matrix Business Services India Private Limited, feminine hygiene, through our Subsidiary, Washroom Hygiene Concepts Private Limited, and sales enablement service through our Subsidiaries, Denave India Private Limited and Athena BPO Private Limited. Our future growth depends, in part, on our ability to develop and grow our employee background checking, Audit and Assurance and feminine hygiene businesses. We cannot ascertain that our efforts in developing such new services shall allow us to achieve tangible benefits in proportion to the costs incurred by us. We are also focussing on expanding to more end-user segments, and there is no assurance that we shall be able to develop service offerings that shall appeal to such end-users.

If we are unable to monetise and/ or sustain our efforts in developing new services, our results of operations may be adversely affected. The process of launching new businesses requires accurate anticipation of customers' needs and emerging technological trends. This may require that we make long-term investments and commit significant resources before knowing whether these investments will eventually result in businesses that achieve customer acceptance and generate the revenues required to provide desired returns. We may not be able to derive substantial benefit from our efforts in developing new services, or any benefit at all in the future. We may experience difficulties that could delay or hinder the successful development, introduction and marketing of new businesses. We can give no assurance that we will be able to achieve the business performance, growth and profitability which we expect from our new businesses. Further, our new services may not satisfy the demands of the market, which may result in an adverse effect on our business, cash flows, results of operations and financial condition.

If we fail to accurately anticipate and meet our customers' needs through the development of new service offerings, our competitive position could be weakened and that could materially adversely affect our cash flows, results of operations and financial condition.

17. ***Significant disruptions of information technology systems and/or ERP systems or breaches of data security could adversely affect our business. Further, we may be exposed to risks and costs associated with protecting the integrity and security of our systems as well as our customers' operational and other confidential information.***

Our business is dependent upon increasingly complex and interdependent information technology systems, including internet-based systems, to support business processes as well as internal and external communications. Critical information systems are used in every aspect of our daily operations. We have implemented various information technology ("**IT**") solutions and/or enterprise resource planning ("**ERP**") solutions to cover key areas of our business functions. The size and complexity of these systems make them potentially vulnerable to damage or interruption from a variety of sources or to breakdown, malicious intrusion and computer viruses, which could result in a material adverse effect on our operations. A large-scale IT malfunction or failure could disrupt our business or lead to disclosure of sensitive company information, and in some cases, while there are firewalls, any improper handling of confidential data could potentially damage our Company's reputation. Our ability to keep our business operating depends on the proper and efficient operation and functioning of various IT systems, which are susceptible to malfunctions and interruptions (including those due to equipment damage, power outages, computer viruses and a range of other hardware, software and network problems). In addition, it is possible that a malfunction of our data system security measures could enable unauthorized persons to access sensitive business data, including information relating to our intellectual property or business strategy or those of our customers or could lead to the public exposure of personal information (including sensitive personal information) of our employees and others. Such malfunction or disruptions could cause economic losses for which we could be held liable. Any of these developments, alone or in combination, could have a material adverse effect on our business, financial condition, cash flows and results of operations.

We seek to protect our information systems and network infrastructure from physical break-ins as well as security breaches and other disruptive problems. However, there may be areas in the systems that have not been properly protected from security breaches and other attacks, as well as disruptions arising from physical disasters. Although we have not experienced any significant disruptions to our information technology systems in the past, we cannot assure you that we will not encounter disruptions in the future. While we have instituted a disaster recovery planning ("**DRP**") procedure to protect our information technology systems from such disruptions, any such disruption may result in the loss of key information and/or disruption of our business processes, which could adversely affect our business, cash flows, and results of operations.

In addition, our systems are potentially vulnerable to data security breaches, whether by employees or others that may expose sensitive data to unauthorized persons. Cybersecurity attacks are evolving and could lead to disruptions in systems, unauthorized release of confidential or otherwise protected information and corruption of data. Any such security breaches or compromises of technology systems could result in institution of legal proceedings against us and potential imposition of penalties, which may have an adverse effect on our business, cash flows, reputation, results of operations and financial condition. We employ security systems, including firewalls and password encryption, designed to minimize the risk of security breaches. However, these measures and technology may not always be adequate to properly prevent security breaches. In addition, the unavailability of the information systems or the failure of these systems to perform as anticipated for any reason could disrupt our business and could result in decreased performance and increased overhead costs, causing our business and results of operations to suffer.

Further, our business operations involve access by our personnel to customers' operational and other confidential information, and our employees are required to securely handle and transmit confidential information about our customers. There can be no assurance that in the future we will not be subjected to claims relating to abuse of confidential information by our employees or proceedings related to intentional or unintentional exposure of our customers' confidential information.

18. We may be required to receive or renew certain approvals or licenses required in the ordinary course of business or to commence new businesses. Failure to obtain or maintain or renew licenses, registrations, permits and approvals may adversely affect our business, cash flows and results of operations.

We require certain statutory and regulatory permits, approvals, licenses, registrations and permissions (hereinafter collectively referred to as "**Permits**") that are necessary to conduct our business and operations. These Permits may be subject to numerous conditions. Further, certain Permits are valid for a certain period and are required to be renewed at regular intervals in accordance with the timelines prescribed under the relevant statutes or as may be provided under the terms of such Permits. We need to apply for certain Permits, including the renewal of Permits that expire from time to time, in the ordinary course of our business. To foster our growth, our Company may also consider entering into different jurisdictions wherein we may be required to fulfil the state-wise respective compliances, laws and regulatory norms which differ from state to state.

Any inability to obtain some or all of these Permits, or inability to renew such Permits in the time frames prescribed under law or as may be required for the purpose of the business, or any failure to comply with applicable conditions or any claim in relation to breach of any such conditions could adversely affect our business, results of operations, cash flows and financial condition. For instance, certain of our Permits such as the license to carry out electrical installation work for Karnataka, professional tax registration for Kerala and certain licenses obtained under the Contract Labour (Regulation and Abolition) Act, 1970 ("**CLRA**"), have expired and our Company has filed the necessary renewal applications with the relevant authorities for their renewals. We have also made applications to relevant authorities for updating the name of our Company in current registrations and approvals, pursuant to the conversion of our Company into a public limited company. However, there are certain licenses obtained including under the CLRA which have expired and for which no renewal applications have been filed. Although our Company is in the process of filing the renewal applications, there can be no assurance that the relevant authorities will issue such Permits in the timeframe anticipated by us or at all. Our failure to obtain any of these or any other applicable Permits or renewals thereof or comply with the requirements of the Permits, may adversely affect the continuity of our business, hinder our operations may adversely impact our revenues, growth and profitability. In addition, we have and may need to in the future, apply for certain additional Permits. For details of the Permits that are necessary and material to our business and operations, see "*Government and Other Approvals*" on page 559.

Further, any unfavourable changes in or interpretations of existing laws, or the promulgation of new laws, governing our business and operations could require us to obtain additional licenses and approvals. Regulatory authorities could also impose notices and other orders on us if we fail to obtain any required licenses or approvals.

We cannot assure that the Permits issued to us would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. For further details on material Permits, see "*Government and Other Approvals*" on page 559.

19. An inability to manage our rapid growth and business diversification initiatives may disrupt our operations and adversely affect our business and growth strategies and future financial performance.

We have experienced rapid growth in recent years and expect our business to grow significantly as a result of the increase in size of operations, expansion into a diversified range of service offerings, through organic growth as well as acquisitions and other strategic growth opportunities across geographies. We intend to further grow the integrated business services we currently provide, and also intend to diversify our services offerings, *inter alia* by further developing the businesses that we have acquired recently, such as our feminine hygiene, Audit and Assurance and sales enablement services businesses. For further information, see "*Our Business – Our Business Strategies*" on page 210. This exposes us to a wide range of risks, including business risks, operational risks, fraud risks and regulatory and legal risks.

These strategic initiatives may require significant capital and other resources, as well as management attention, which could place a burden on our resources and abilities. We are in the initial stages of our diversification strategy and may not be able to properly assess the risks, economic viability and prospects of such opportunities. We may not be successful in developing these businesses and there can be no assurance relating to any revenues from or profitability of such business opportunities we intend to pursue.

We expect such rapid growth to place significant demands on us requiring us to continuously evolve and improve our operational, financial and internal controls. In particular, we may face increased challenges in maintaining high levels of customer satisfaction; recruiting, training and retaining sufficient skilled management and recruitment personnel; adhering to service execution standards and key performance indicators specified by our customers; preserving a uniform culture, values and work environment across our operations; and developing and improving our internal administrative infrastructure, particularly our financial, operational, communications and other internal systems. Our ability to continue to grow consistently will depend on a number of factors beyond our control, including the level of competition for opportunities for inorganic growth and our ability to successfully manage our organic growth. An inability to manage our growth may have an adverse effect on our business prospects and future financial performance.

20. We are dependent on a number of key personnel, including our senior management, and the loss of, or our inability to attract or retain, such persons could adversely affect our business, cash flows, results of operations and financial condition.

Our performance depends largely on the efforts and abilities of our senior management, other key personnel and the performance and productivity of our operational managers and field personnel. Our core management team oversees the day-to-day operations, implementation of strategy and growth of our business. We believe that the inputs and experience of Key Managerial Personnel and our Senior

Management are valuable for the development of business and operations and the strategic directions taken by our Company. For details in relation to the experience of our Key Managerial Personnel and Senior Management, see "*Our Management*" on page 254.

Further, our Promoter, Raghunandana Tangirala, currently serves as our Chairman and Managing Director, and his experience and vision have played a key role in obtaining our current market position. If he is unable or unwilling for any reason to continue his present association with us, or to devote as much time to our operations as he has in the past, we may not be able to identify and engage a suitable professional and may not be able to replace him easily, or at all. As a result of any such factors, our business, cash flows, financial condition, results of operations and prospects and, particularly, our brand value, reputation and expansion strategy, may be adversely affected.

There is no assurance that these individuals or any other member of our senior management team will not leave us or join a competitor. Competition for experienced management personnel in the business sectors we operate in is intense, the pool of qualified candidates is limited, and we may not be able to retain our senior executives or key personnel or attract and retain skilled senior executives or key personnel in the future. Consequently, there can be no assurance that these individuals will continue to make their services available to us in the future. We cannot assure you that we will be able to retain these employees or find adequate replacements in a timely manner, or at all. We may require a long period of time to hire and train replacement personnel when qualified personnel terminate their employment with our Company. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting employees that our business requires. The loss of the services of such persons may have an adverse effect on our business, cash flows and our results of operations.

In addition, if any member of our senior management team or any of our other key personnel joins a competitor or forms a competing company, we may consequently lose our proprietary know-how for the benefit of our competitors. Our Key Managerial Personnel and Senior Management have entered into confidentiality and/or non-competition agreements with us. However, if any disputes arise between any of our Key Managerial Personnel or Senior Management and us, it may be difficult for us to enforce these agreements.

We are also highly dependent on the performance and productivity of our business development team and client managers. The continued operations and growth of our business is dependent upon our ability to attract and retain personnel who have the necessary and required experience and expertise in order to meet the requirements of our customers. We must continually evaluate our base of available qualified personnel to keep pace with changing customer needs. Competition for individuals with proven skills is intense, and demand for these individuals is expected to remain strong for the foreseeable future. Accordingly, a loss of the services of our key personnel may adversely affect our business, cash flows, results of operations and financial condition.

21. We have included certain standalone financial information of certain of our Subsidiaries in this Draft Red Herring Prospectus and such financial information may not be strictly comparable with our Restated Consolidated Financial Information.

This Draft Red Herring Prospectus contains certain standalone financial information of our Subsidiaries, Avon, Matrix and Denave as at and for the Financial Years ended March 31, 2020, 2021, 2022 and as at and for the six months period ended September 30, 2022. Such financial information has been included to demonstrate the impact of our Company's track record to engage in value accretive acquisition at reasonable valuations. These financial information may not be comparable to the Restated Consolidated Financial Information as at and for the Financial Years ended March 31, 2020, 2021 and 2022 and as at and for the six months period ended September 30, 2022. Accordingly, the investors should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described in this Draft Red Herring Prospectus, before making an investment in the Equity Shares.

Few of these measures are supplemental measure of these Subsidiaries' performance and liquidity that is not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or US GAAP. Further, these measures are not a measurement of their financial performance or liquidity under Ind AS, Indian GAAP, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ period or any other measure of financial performance or as an indicator of their operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or US GAAP. Further, these financial measures may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures of similar nomenclature that may be computed and presented by our Company and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by our Company.

Accordingly, the degree of reliance placed by investors on such financial information should be limited.

22. The industries in which we operate are intensely competitive and have low barriers to entry in certain instances. Our inability to compete effectively may adversely affect our business, cash flows, results of operations and financial condition.

As an integrated business services company providing a wide range of business services ranging from integrated facility management services to business support services, we compete with a range of organized and unorganized competitors, depending on the nature and location of services provided. For further details, see "*Our Business*" on page 198.

The industries in which we operate comprise a number of very fragmented and competitive markets, particularly at the local level, with smaller operators competing for local contracts. There is intense pricing competition from private business services agencies which operate at the local level and provide one or more of the services we do, which may be preferred by certain customers, due to factors such as better pricing and local relationships. Unlike most of our competitors, we have a portfolio of businesses and must allocate resources across these businesses while competing against players focused on one or more businesses or service lines. As a result, our competitors may have greater financial, technical and marketing resources available to them than our businesses that compete against them. We also face the risk of our current or prospective customers deciding to utilize their internal workforce or use independent contractors or service providers in the unorganized segment to manage their facilities.

In addition to our current competitors, additional competitors may enter the market. Specifically, business services markets have relatively low economic barriers to entry and competitive pricing. Competition in these industries may also intensify if service providers offering limited services begin to offer integrated services. Industry consolidation also may affect competition by creating larger, more homogeneous and potentially stronger competitors in the markets in which we compete. As a result, there can be no assurance that we will not encounter increased competition in the future. With the potential influx of new competitors, our ability to retain our existing customers and to attract new customers is critical to our continued success. There can be no assurance that our Company will, in light of competitive pressures, be able to remain profitable or, if profitable, maintain its current profit margins.

Our continued success depends on our ability to compete effectively against our existing and future competitors. We expect that the level of competition will remain high, which could directly impact the size of our workforce and therefore potentially limit our ability to maintain or increase our market share or profitability. Our competitors may succeed in rendering services more effectively and economically than us, which may make our services uncompetitive and adversely affect our business, cash flows, results of operations and financial condition. Enhanced competitive presence could manifest itself in various ways such as pricing pressure, increased competition for customer acquisition and retention, competitive product and service offerings with enhanced features and also competitive pressure on talent acquisition and retention thereby leading to enhanced costs.

23. There are outstanding legal proceedings involving our Company, our Promoters, our Subsidiaries and our Directors. Any adverse decision in such proceedings may render us / them liable to liabilities / penalties and may adversely affect our business, results of operations, cash flows and reputation.

There are several outstanding legal proceedings against our Company, Directors, Promoters and Subsidiaries. These proceedings are pending at different levels of adjudication before various adjudication forums. Brief details of material outstanding litigation that have been initiated by and against our Company, our Directors, our Promoters and our Subsidiary, as applicable, are set forth below:

(₹ in million)

Category of individuals / entities	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by SEBI or Stock Exchanges against our Promoters in the last five years, including outstanding action	Material civil litigation#	Aggregate amount involved* (₹ in million)
Company						
By the Company	12	2	NIL	NA	2	31.75
Against the Company	3	Nil	2	NA	Nil	0.49
Directors						
By the Directors	NIL	NIL	NIL	NA	NIL	NIL
Against the Directors	1	3	NIL	NA	1	19.89
Promoters						
By the Promoters	Nil	NIL	NIL	Nil	Nil	NIL
Against the Promoters	1	4	Nil	Nil	1	41.06
Subsidiaries						
By the Subsidiaries	Nil	NIL	NIL	NA	2	29.16
Against the Subsidiaries	Nil	65	Nil	NA	Nil	65.69

 # Determined in accordance with the Materiality Policy.
** To the extent quantifiable.*

Further, as on the date of this Draft Red Herring Prospectus, there are no pending litigation proceedings involving any of our Group Companies which will have a material impact on our Company. For further details, see "*Outstanding Litigation and Other Material Developments*" on page 552.

If any of these outstanding litigations are decided against our Company, Subsidiaries, Directors or Promoters, as the case may be, we may need to make provisions in our financial statements that could increase our expenses and current liabilities. In this regard, we may be subject to penalties and regulatory actions including the suspension of our business. We cannot assure you that these outstanding legal proceedings will be decided in our Company's favour or in the favour of our Subsidiaries, Directors or Promoters, or that no further liability will arise out of these proceedings. Further, such legal proceedings could divert management's time and attention and consume financial resources. Any adverse outcome in any of these proceedings may adversely affect our Directors, individual Promoters and/or our profitability, reputation, business, cash flows, results of operations and financial condition.

24. Our inability to identify, obtain and retain intellectual property rights, or to protect or use them, could harm our business. Further, we may infringe upon the intellectual property rights of others, any misappropriation of which could adversely affect our business and reputation.

Our name and trademarks are significant to our business and operations. Accordingly, it is important that we identify, obtain and retain intellectual property rights. We believe that several of our trade names have significant brand recognition in their respective sectors and are important to identifying and differentiating our business from those of our competitors and creating and sustaining demand for our services. Therefore, we take measures to protect our intellectual property by relying on Indian laws and initiating legal proceedings. We have registered, among other trademarks, our logo, " " in India. However, we have applied for, and are yet to receive registration of our various trade names including an application for registration of "***UDS Do More… Business Services (device)***". For further details, see "*Our Business – Intellectual Property*" and "*Government and Other Approvals – Intellectual Property*" on pages 225 and 563, respectively. We may not be able to register our trademarks or copyrights or otherwise secure our intellectual property. Our inability to obtain registration for our trademarks could have an adverse effect on our business, results of operations, financial condition and cash flows.

Further, our efforts to protect, maintain, or enforce our proprietary rights may be ineffective and could result in substantial costs and diversion of resources, which could adversely affect our business, financial condition, cash flows and results of operations. The use of our brand name or logo by third parties could adversely affect our reputation, which could in turn adversely affect our financial performance and the market price of the Equity Shares. We cannot assure you that we will be able to successfully take steps to protect our intellectual property rights that will be adequate to prevent the infringement of such rights by others. Third parties may provide services under our or similar brand name or marks which, may result in confusion among customers and loss of business for us. Any adverse experience of customers of such third parties or any negative publicity generated in respect of such third parties could negatively affect our business and reputation.

Although we attempt to avoid infringing upon known proprietary rights of third parties, we are subject to the risk of claims alleging infringement of third-party proprietary rights. If in response to a third-party infringement allegation, we were to determine that we require a license to such third-party's proprietary rights, then we may be unable to obtain such license on commercially reasonable terms. In addition, any claim of infringement could cause us to incur substantial costs defending such claim, even if the claim is baseless, and could distract our management from our business. A party asserting such an infringement claim could secure a judgment against us that requires us to pay substantial damages, grants such party injunctive relief, or grants other court ordered remedies that could prevent us from conducting our business. Furthermore, necessary licenses may not be available to us on satisfactory terms, if at all. Any of the foregoing could have an adverse effect on our business, cash flows, results of operations and financial condition.

25. ***Our customers may delay or default in making payments for services rendered by us. If we are unable to collect our receivables from our customers, our profits, cash flows and liquidity could be adversely affected.***

Cash collection trends and trade receivables have an impact on our cash receipts and, consequently, on our cash flows. Trade receivables constitute a significant portion of our total assets, and were ₹ 3,341.87 million, ₹ 2,689.38 million, ₹ 3,474.85 million and ₹ 4,224.62 million, or 55.27%, 46.41%, 39.73% and 39.10% of our total assets as at March 31, 2020, 2021 and 2022, and as at September 30, 2022, respectively. Our trade receivables outstanding for over six months were ₹ 175.60 million, ₹ 146.07 million, ₹ 240.23 million and ₹ 181.71 million, or 5.25%, 5.43%, 6.91% and 4.30% of our total trade receivables as at March 31, 2020, 2021 and 2022, and as at September 30, 2022, respectively. We typically have credit terms of up to 90 days with our customers, and we cannot guarantee that our customers will not default on their payments, which might adversely affect our profits margins and cash flows. Our business depends on our ability to successfully obtain payment from our customers for services provided in a timely manner. Consequently, we face the risk of uncertainty regarding the receipt of these outstanding amounts.

Macroeconomic conditions could result in financial difficulties, including insolvency or bankruptcy, for our customers, and as a result could cause customers to delay payments to us, request modifications to their payment arrangements that could increase our receivables balance or working capital requirements, or default on their payment obligations to us. An increase in bad debts or defaulting customers may lead to greater usage of our operating working capital and increased interest costs. If we experience an increase in the time to bill and collect for our services, our cash flows could be adversely affected. Successful control of the trade receivables process requires development of appropriate contracting, invoicing, credit, collection and financing policies. Our failure to maintain such policies could have an adverse effect on our business, financial condition and cash flows.

26. ***Certain of our customer contracts can be terminated by our customers without cause and with or without penalty, which could negatively impact our revenue and profitability.***

Many of our customers retain us on a non-exclusive, project-by-project basis. Some of our contracts with customers are typically limited to discrete projects without any commitment to a specific volume of business or future work. In addition, we do not have firm commitment long-term agreements with our customers. If our customers choose not to source their requirements from us or undertake services that we provide, in-house, our business, cash flows and results of operations may be adversely affected.

Many of our customer contracts can be terminated with or without cause by providing notice and without termination-related penalties. Additionally, in certain contracts, our revenues are conditional upon our meeting predetermined performance levels, service guarantees and service delivery date targets, which if not met by us, enable customers to claim credits against their payments to us and, under certain conditions terminate their agreements. Our inability to meet our service level commitments could adversely affect our revenue and cash flow. While we typically have carve-outs for *force majeure* events, many events, such as equipment failure and third-party vendors being unable to meet their underlying commitments to us, could impact our ability to meet our contractual commitments. Should our customers terminate their contracts with us for non-performance of our obligations, our business and financial condition shall be affected adversely.

Our business is also dependent on the decisions and actions of our customers, and there are a number of factors relating to our customers that are outside our control that might result in the termination of a project or the loss of a customer, including financial difficulties for a customer; change in strategic priorities, resulting in a reduced level of spending on staffing solutions; a demand for price reductions; and a change in strategy by moving more work in-house or to our competitors. Therefore, our business may be adversely affected if any of our contracts are terminated by our customers at short notice.

27. Our investments in technology systems may not yield intended results. The cost of implementing technologies for our operations could be significant and could adversely affect our business, cash flows, results of operations and financial condition.

Our operations depend in part upon the use and deployments of technology initiatives on a cost effective and timely basis with constant introduction of new and enhanced solutions. Our information systems require an ongoing commitment of significant resources to maintain, protect and enhance existing systems and develop new systems to keep pace with continuing changes in information processing technology, evolving systems and regulatory standards, the increasing need to protect customer information and changing customer patterns. Certain of such initiatives that are currently being worked up on include development of an asset management platform for our integrated facilities management services, application for Audit and Assurance, intelligent database management tools, among others, across various business segments. We are also investing in other technological upgrades to achieve our strategic objectives and to remain competitive which may, from time to time, increase as compared with the previous years.

Although these technology initiatives are intended to increase productivity and operating efficiencies, they may not yield intended results. Our new systems, infrastructure and technologies may not perform satisfactorily, or be used effectively, and we may also fail to adapt our service platforms to reflect our increased size and scale, user requirements or emerging trends and industry standards. If we do not effectively and appropriately expand and upgrade or downsize and scale back our systems and platforms, as appropriate, in a timely manner and at a reasonable cost, we may lose market opportunities, increase our costs and lead to us being less competitive in terms of our prices or quality of services we render. Any delays in completing or an inability to successfully complete these technology initiatives, or an inability to achieve the anticipated efficiencies, could affect our result of operations and financial condition.

Further, there is a risk that we may not sufficiently invest in technology or industry developments, or evolve our business with the right strategic investments, or at sufficient speed and scale, to adapt to changes in our market. Our failure to successfully adopt new technologies in a cost effective and a timely manner could increase our costs and lead to us being less competitive in terms of our prices or quality of services we provide, which may have an adverse effect on our business operations and financial performance.

28. Our financing agreements contain covenants that limit our flexibility in operating our business. Our inability to meet our obligations, including financial and other covenants under our debt financing arrangements could adversely affect our business, cash flows, results of operations and financial condition.

As of December 31, 2022, our total outstanding borrowings were ₹ 1,941.72 million, on a consolidated basis. We also intend to use the Net Proceeds for repayment and / or prepayment of certain borrowings availed by our Company in the manner specified in "*Objects of the Offer*" on page 113. Our ability to meet our debt service obligations and repay our outstanding borrowings will depend primarily on the cash generated by our businesses. Our indebtedness could have several important consequences, including but not limited to the following:

- a portion of our cash flow will be used towards repayment of our existing debt, which will reduce the availability of cash to fund working capital needs, capital expenditures, acquisitions and other general corporate requirements
- our ability to obtain additional financing in the future at reasonable terms may be restricted

- fluctuations in market interest rates may affect the cost of our borrowings, as some of our loans are at variable interest rates; and
- we may be more vulnerable to economic downturns, may be limited in our ability to withstand competitive pressures and may have reduced flexibility in responding to changing business, regulatory and economic conditions.

Further, any failure to service our indebtedness, perform any condition or covenant or comply with the restrictive covenants could lead to a termination of our credit facilities, default and acceleration of amounts due under such facilities, any of which may adversely affect our ability to conduct our business and have a material adverse effect on our cash flows, financial condition and results of operations. Certain of our financing arrangements also contain cross-default provisions which could automatically trigger defaults under other financing arrangements. Our failure to meet our obligations under any of our debt financing agreements could have an adverse effect on our business, cash flows, results of operations and financial condition.

Further, our financing agreements contain certain restrictive covenants that limit our ability to undertake certain types of transactions, any of which could adversely affect our business and financial condition. We are required to obtain prior approval from our lenders for, among other things:

- Effectuating any change in our shareholding pattern and management control in the company.
- Undertaking any further capital expenditure except being funded by our Company's own resources.
- Entering any borrowing arrangement with any other bank or financial institution or giving any guarantee on behalf of any other company which increases our borrowing above limits stipulated by our lenders.
- Diversifying into non-core areas, that is business other than the current business of our Company.
- Making any changes in the memorandum and articles of our Company.
- Selling, assigning, mortgaging or disposing off any fixed assets of our Company.

Our Company has created *parri passu* charges in favour of our lenders on the current assets and the fixed moveable assets of our Company to secure our indebtedness. See "*Financial Indebtedness*" on page 549 for further details. In the event that any lender seeks the accelerated repayment of any such loan or seeks to, and is successful in, enforcing any other rights against us there could be a material adverse effect on our business, cash flows, financial condition and results of operations.

In addition, certain terms of our borrowings require us to maintain certain key performance indicators which are tested periodically. Any failure to comply with the conditions and covenants in our financing agreements, the creation of additional encumbrances that are not waived by our lenders or guarantors or otherwise cured, the occurrence of a material adverse event that could lead to an event of default and consequent termination of our credit facilities, could adversely affect our business, results of operations, financial condition and cash flows.

29. We have in the past entered into related party transactions and may continue to do so in the future, which may potentially have an adverse effect on our business.

In the ordinary course of our business, our Company has in the past entered into related party transactions, including for supply of materials and services, rent paid, CSR expenses, reimbursement / recovery of expenses, contribution to gratuity, deposits made, sitting fees and remuneration paid to our Directors, Key Managerial Personnel and Senior Management, and may continue to do so in the future. For instance, our Registered and Corporate Office has been occupied by us on a leasehold basis pursuant to our lease agreement dated March 27, 2023, entered into between our Promoters and our Company. For details regarding our related party transactions, see "*Related Party Transactions*" on page 398.

While we believe that all such related party transactions that we have entered into are legitimate business transactions conducted on an arms' length basis, we cannot assure you that we could not have achieved more favorable terms had such transactions been entered into with unrelated parties. Although going forward, all related party transactions that we may enter into will be subject to board or shareholder approval, as necessary under the Companies Act, 2013 and the SEBI Listing Regulations, there can be no assurance that these arrangements in the future, or any future related party transactions that we may enter into, individually or in the aggregate, will not have an adverse effect on our business, financial condition, results of operations, cash flows and prospects. Further, any future transactions with our related parties could potentially involve conflicts of interest which may be detrimental to our Company. There can be no assurance that our Directors and executive officers will be able to address such conflicts of interests or others in the future.

30. Our business requires significant amounts of working capital. We may not be able to obtain future financing on favourable terms or at all or furnish bank guarantees in the future. If we experience insufficient cash flows from our operations or are unable to borrow funds to meet our working capital requirements, it may materially and adversely affect our business and results of operations.

Our business requires significant amount of working capital primarily due to the fact that a significant amount of time passes between when we make payments to our vendors and personnel, and when we receive payments from our customers. Consequently, there could be situations where the total funds available to us may not be sufficient to fulfil our commitments, and hence we may need to incur additional indebtedness in the future, or utilize internal accruals to satisfy our working capital needs. Our total outstanding borrowings as on December 31, 2022 were ₹ 1,941.72 million, on a consolidated basis.

Our Company intends to utilise ₹ 1,150.00 million from the Net Proceeds to fund working capital requirements of our Company in Fiscals 2024 and 2025, which, we believe, will help us in achieving the proposed targets as per our business plan. For details, "*Objects of the Offer*" on page 113. If our cash resources are insufficient to satisfy our cash requirements, we may seek to issue additional equity or debt securities or obtain new or expanded credit facilities. As we pursue our growth plan, we expect that we will have to raise additional funds by incurring further indebtedness or issuing additional equity to meet our capital expenditures in the future. Our future success depends on our ability to continue to secure and successfully manage sufficient amounts of working capital. However, our ability to arrange financing and the cost of capital of such financing are dependent on numerous factors, including general economic and capital market conditions, credit availability from banks, investor confidence, the continued success of our operations and other laws that are conducive to our raising capital in this manner. In addition, incurring indebtedness would subject us to increased debt service obligations and could result in operating and financial covenants that would restrict our operations. Our ability to access international capital and lending markets may be restricted at a time when we would like, or need, to do so, especially during times of increased volatility and reduced liquidity in global financial markets and stock markets, including due to policy changes and regulatory restrictions, which could limit our ability to raise funds. If we experience insufficient cash flows or are unable to borrow funds on a timely basis or at all to meet our working capital and other requirements, or to pay our debts, it could materially and adversely affect our business and results of operations.

Our Company is also required to furnish bank guarantees in the ordinary course of business in relation to the fulfilment of provisions of certain of our contracts, as and when required. In the event that any such bank guarantees are invoked and if we are unable to meet our guarantee requirements, then legal proceedings may be initiated against us, or we may incur additional costs. While we have not defaulted in the payment of any of our borrowings including bank guarantees, we cannot assure you that we will not default in future.

Management of our working capital requirements involves the timely payment of, or rolling over of, our short-term indebtedness and securing new and additional loans on acceptable terms, or re-negotiation of our payment terms for, our trade payables, collection of trade receivables and preparing and following accurate and feasible budgets for our business operations. If we are unable to manage our working capital requirements, our business, results of operations and financial condition could be materially and adversely affected. There can be no assurance that we will be able to effectively manage our working capital. Should we fail to effectively implement sufficient internal control procedures and management systems to manage our working capital and other sources of financing, we may have insufficient capital to maintain and grow our business, and we may breach the terms of our financing agreements with banks, face claims under cross-default provisions and be unable to obtain new financing, any of which would have a material adverse effect on our business, results of operations and financial condition. For further information on the working capital facilities currently availed of by us, see "*Financial Indebtedness*" on page 549.

31. We are subject to risks arising from interest rate fluctuations, which could reduce our profitability and adversely affect our business, cash flows, financial condition and results of operations.

Our operations are partly funded by debt and increases in interest rate and a consequent increase in the cost of servicing such debt may have an adverse effect on our cash flows, results of operations and financial condition. The interest rate for certain loan amounts availed by us is expressed as the base rate of a specified lender and interest spread per annum, which is variable. Interest rates for borrowings have been volatile in India in recent periods. Further, most of our financing agreements include provisions providing for interest rates to be periodically reset, or changed based on the lender's internal policies. Changes in prevailing interest rates affect our interest expense in respect of our borrowings, and may have an adverse effect on our business, results of operations, cash flows and financial condition. See "*Financial Indebtedness*" on page 549 for a description of interest typically payable under our financing agreements.

Although we may in the future engage in interest rate hedging transactions or exercise any right available to us under our financing arrangements to terminate the existing debt financing arrangement on the respective reset dates and enter into new financing arrangements, there can be no assurance that we will be able to do so on commercially reasonable terms or that these agreements, if entered into, will protect us adequately against interest rate risks. Further, if such arrangements do not protect us adequately against interest rate risks, they would result in higher costs.

32. Our insurance coverage may not be sufficient or may not adequately protect us against all material hazards, which may adversely affect our business, cash flows, results of operations and financial condition.

Our principal types of insurance, among others, includes policies for professional indemnity, commercial general liability, crime, group policies taken for our employees, workmen's compensation policies and directors' and officers' liability. As of September 30, 2022, our insurance cover was ₹ 344.76 million and our insurance cover as a percentage of the total assets of our Company was 81.35%.

For details, see "*Our Business – Insurance*" on page 226. While we believe that the level of insurance we maintain is appropriate for the risks of our business, notwithstanding the insurance coverage that we carry, we may not be fully insured against certain business risks. There are many events that could significantly impact our operations, or expose us to third-party liabilities, for which we may not be adequately insured. Our insurance policies contain exclusions and limitations on coverage, as a result of which, we may not be able to successfully assert our claims for any liability or loss under the said insurance policies. Additionally, there may be various other risks and losses for which we are not insured because such risks are either uninsurable or not insurable on commercially acceptable terms. Furthermore, there can be no assurance that we will be able to maintain insurance of the types or at levels which we deem necessary or adequate or at premiums which we deem to be commercially acceptable in the future. The occurrence of an event for which we are not insured, where the loss is in excess of insured limits occurs or where we are unable to successfully assert insurance claims from losses, could result in uninsured liabilities. Further, despite such uninsured losses we may remain obligated for any financial indebtedness or other obligations related to our business. Additionally, there can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part, or on time. To the extent that we suffer any loss or damage that is not covered by insurance or exceeds our insurance coverage, our business, financial condition, cash flows and results of operations could be adversely affected.

33. Our management will have broad discretion in how we apply the Net Proceeds, including interim use of the Net Proceeds, and there is no assurance that the objects of the Offer will be achieved within the time frame expected or at all, or that the deployment of the Net Proceeds in the manner intended by us will result in any increase in the value of your investment.

We intend to use the Net Proceeds for the purposes described under "*Objects of the Offer*" on page 113. The objects of the Offer include repayment and /or prepayment of certain borrowings availed by our Company, funding our working capital requirements, pursuing inorganic initiatives and general corporate purposes. Our funding requirements and the deployment of the Net Proceeds are based on management estimates and have not been appraised. In response to the dynamic nature of our business, our management will have broad discretion to revise our business plans, estimates and budgets from time to time. Consequently, our funding requirements and deployment of funds may change due to changes in underlying factors, some of which are beyond our control, such as interest rate fluctuations and other financial and operational factors or various other risks and uncertainties, including those set forth in this section, which may result in rescheduling of the proposed utilization of the Net Proceeds and increasing or decreasing expenditure for a particular activity, subject to compliance with applicable law and the investment policies approved by our management. Furthermore, pursuant to Section 27 of the Companies

Act, 2013, any variation in the objects would require a special resolution to be passed by the Shareholders of our Company and our Promoters will be required to provide an exit opportunity to the Shareholders who do not agree to such proposal to vary the objects in accordance with the Articles of Association of our Company and as may otherwise be prescribed by SEBI.

In the case of increase in actual expenses or shortfall in requisite funds, additional funds for a particular activity will be met by means available to us, including internal accruals and additional equity and/or debt arrangements. If actual utilization towards the objects of the Offer is lower than the proposed deployment, such balance will be used for future growth opportunities, and general corporate purposes. If estimated utilization of the Net Proceeds is not completely met in a fiscal year, it shall be carried forward.

Our management will have significant flexibility in temporarily investing the Net Proceeds and there can be no assurance that we will earn significant interest income on, or that we will not suffer unanticipated diminution in the value of, such temporary investments.

34. We have not paid any dividends in the past and our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, the performance of our acquired businesses, capital expenditures and restrictive covenants of our financing arrangements.

We have adopted a dividend distribution policy which lays down the principles for distribution of dividend by our Company to our shareholders and sets out *inter alia* the financial parameters and / or internal and external factors to be considered by our Company before declaring or recommending dividend to shareholders and the circumstances under which shareholders may or may not expect dividend. No dividends have been declared and paid by our Company on the Equity Shares for the six months period ended September 30, 2022, and for the Financial Years ended March 31, 2022, March 31, 2021 and March 31, 2020.

Our ability to pay dividends in the future will depend on our earnings, financial condition, cash flows, working capital requirements, the performance of our acquired businesses, capital expenditure and restrictive covenants of our financing arrangements. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant, including among others, our contractual obligations, applicable legal restrictions, results of operations, financial condition, revenues, profits, capital requirements and business prospects and any other financing arrangements. In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under our current or future loan or financing documents. For more information on restrictive covenants under our current loan agreements, see "*Financial Indebtedness*" on page 549.

We may decide to retain all of our earnings to finance the development and expansion of our business and, therefore, may not declare dividends on our Equity Shares. We cannot assure you that we will be able to pay dividends at any point in the future. For details of dividend paid by our Company in the past, see "*Dividend Policy*" on page 276.

35. Our contingent liabilities and commitments as at September 30, 2022 as per Ind AS 37, as disclosed in our Restated Consolidated Financial Information could adversely affect our financial condition.

As at September 30, 2022, our contingent liabilities and commitments identified under the Ind AS 37, on a consolidated basis, were as follows:

Particulars	As at September 30, 2022 (₹ in million)
Contingent Liabilities	
Income Tax	155.61
Provision for bonus for Financial Year 2014-15 pursuant to retrospective amendment to "Payment of Bonus Act" for which an interim stay has been granted by the High court	3.22
- Claims made against the Company not acknowledged as debts in respect of income tax matters	21.00
Income Tax Demands against which entire amount is paid under protest	13.71
Others	14.63
Commitments	

-	Estimated amount of contracts remaining to be executed on capital account and not provided for net of capital advances	28.29

If a significant portion of these liabilities materialize, it could have an adverse effect on our results of operations, cash flows and financial condition.

For details of our contingent liabilities and guarantees as at September 30, 2022 as per Ind AS 37, see "*Restated Consolidated Financial Information – Annexure V*" on page 311.

36. The premises for our Registered and Corporate Office is held by us on lease which subject us to certain risks.

Our Registered and Corporate Office is on premises that have been leased by us from our Promoters pursuant to an agreement dated March 27, 2023 entered into by our Company with the Promoters. For further details, see *"Our Business – Property"* on page 226. Upon expiration of the relevant agreement for such premises, we will be required to negotiate the terms and conditions on which the lease agreement may be renewed. We cannot assure you that we will be able to renew these agreements on commercially reasonable terms in a timely manner, or at all.

Termination of our leases may occur for reasons beyond our control, such as breaches of lease agreements by the landlords of our premises which is detrimental to our operations. If we, our current or future landlords breach the lease agreements, we may have to relocate to alternative premises. Once we obtain a lease, we incur significant expenses to install necessary furniture, fittings, lighting, security systems and air conditioning, to ensure such unit is designed in line with our requirements. Relocation of any part of our operations may cause disruptions to our business and may require significant expenditure, and we cannot assure you that in such a case, we will be able to find suitable premises on commercially reasonable terms in a timely manner, if at all or we may have to pay significantly higher rent or incur additional expenses towards interiors. Occurrence of any of these factors may materially and adversely affect our business, cash flows, financial condition and results of operations.

Further, our Company has entered into lease agreements in relation to its immovable properties. Some of these lease deeds may have expired and while we endeavour to renew all of these lease deeds in due course, there is no assurance that we will be able to renew any or all of these leases. Our failure to maintain or renew such agreements on favorable conditions and in a timely manner, or at all, could require us to vacate such facilities and lease alternative locations.

In addition, we may not be able to assess or identify all risks and liabilities associated with any properties, such as faulty or disputed title, unregistered encumbrances or adverse possession rights, improperly executed, unregistered or insufficiently stamped instruments, or other defects that we may not be aware of. In the event that these existing leases are terminated or they are not renewed on commercially acceptable terms or at all, we may suffer a disruption in our operations. If alternative premises are not available at the same or similar costs, size or locations, our business, cash flows, financial condition and results of operations may be adversely affected.

37. This Draft Red Herring Prospectus contains information from an industry report which we have commissioned and paid for, from Frost & Sullivan. There can be no assurance that such third -party statistical, financial and other industry information is either complete or accurate.

Certain sections of this Draft Red Herring Prospectus include information based on, or derived from, the F&S Report or extracts of the F&S Report prepared by Frost & Sullivan, which is not related to our Company, Directors or Promoters. We commissioned and paid for this report for the purpose of confirming our understanding of the industry in connection with the Offer. All such information in this Draft Red Herring Prospectus indicates the F&S Report as its source. Accordingly, any information in this Draft Red Herring Prospectus derived from, or based on, the F&S Report should be read taking into consideration the foregoing.

This report is subject to various limitations and based upon certain assumptions that are subjective in nature. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. While industry sources are required to exercise due care and caution while preparing their reports, they do not guarantee the accuracy, adequacy or completeness of the data. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Draft Red Herring Prospectus. Further, the F&S Report is not a recommendation to invest / disinvest in any company covered in the CRISIL Report. Accordingly, prospective investors should not place undue reliance on, or base their investment decision solely on this information.

In view of the foregoing, you may not be able to seek legal recourse for any losses resulting from undertaking any investment in the Offer pursuant to reliance on the information in this Draft Red Herring Prospectus based on, or derived from, the F&S Report. You should consult your own advisors and undertake an independent assessment of information in this Draft Red Herring Prospectus based on, or derived from, the F&S Report before making any investment decision regarding the Offer. A copy of the F&S Report shall be available on the website of our Company at www.Uds.in/Investor-Relations/Industry_Report. See "*Industry Overview*" on page 161. For the disclaimers associated with the F&S Report, see "*Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Industry and Market Data*" on page 18.

38. If we fail to maintain an effective system of internal controls, we may not be able to successfully manage, or accurately report, our financial risks.

Our management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by it while taking into account the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls to ensure the orderly and efficient conduct of our business, including adherence to our policies, the safeguarding of our assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Effective internal controls are necessary for us to prepare reliable financial reports and effectively avoid fraud. Moreover, any internal controls that we may implement, or our level of compliance with such controls, may deteriorate over time, due to evolving business conditions. While we have taken measures to strengthen our internal control system and have conducted audits to review gaps and process weaknesses and implemented the suggested measures, there can be no assurance that deficiencies in our internal controls will not arise in the future, or that we will be able to implement, and continue to maintain, adequate measures to rectify or mitigate any such deficiencies in our internal controls. For instance, we received a complaint from one of our customers during the calendar year 2021, alleging that one of our employees working at the customer's premises and responsible for maintaining and providing manpower to the customer, had created a fake attendance list in collusion with another of our employees and two employees of the customer, and misappropriated funds through payment of salary in the name of such fictitious persons forming part of the fake list. In another instance, in one of our Subsidiary, Washroom Hygiene Concepts, salaries were transferred to accounts other than those specified in the records of Washroom Hygiene Concepts, including to persons who were no longer employees of this Subsidiary. For further details on these matters, see "*– We have received and may in the future receive anonymous whistle blower complaints, which may adversely affect our reputation, which could consequently adversely impact our business, cash flows, financial condition and results of operation.*" on page 39. In addition, our Statutory Auditors have also issued a qualified opinion on internal financial controls with respect to our consolidated financial statements as at and for the Financial Year ended March 31, 2022, under section 143(3)(i) of the Companies Act, in Annexure II to the auditor's report, for the following material weaknesses:

(i) The internal controls over timely identification of customer claims, their reconciliations and assessment of contractual compliance by our Company for recording the appropriate adjustments, were not operating effectively, which may result in incorrect or inappropriate revenue recognition.

(ii) The internal controls over our Company's compliance with GST regulations as regards credit notes were not operating effectively, which may result in recognising incorrect GST credits / receivables and any consequent liabilities under applicable laws and regulations.

(iii) The IT general controls, including controls over change management and access control were not operating effectively, which may result in material misstatements of our Company's financial statements.

(iv) The internal controls over monitoring and responding to whistle blower allegations received were not operating effectively.

(v) Further, in respect of our Subsidiary, Washroom Hygiene Concepts Private Limited, our Statutory Auditors have issued a disclaimer of opinion as the subsidiary has not established its internal financial control framework with reference to financial statements based on or considering the essential components of internal control stated in Guidance Note issued by ICAI.

Our Statutory Auditors have also included a qualification in their auditor's report on our audited consolidated financial statements for the Financial Year ended March 31, 2022 regarding pending investigation in relation to certain instances of irregularities in disbursement / payment of salary to fictitious and resigned employees in the then current as well as earlier years in relation to our Subsidiary, Washroom Hygiene Concepts Private Limited.

Also see *"– Our Statutory Auditors have included certain qualifications and observations in their auditor's report on our audited consolidated financial statements as at and for the Financial Year ended March 31, 2022, and the annexure to the auditor's reports as required under the Companies (Auditor's Report) Order, 2020, and on the internal financial controls under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 in respect of our Company and certain of our Subsidiaries. Our Statutory Auditors have also included certain emphasis of matters in their auditor's report on our audited consolidated financial statements as at and for the Financial Years ended March 31, 2021 and 2022."* on page 43.

Any inability on our part to adequately detect, rectify or mitigate any such deficiencies in our internal controls may adversely impact our ability to accurately report, or successfully manage, our financial risks, and to avoid fraud.

39. Our international operations or our ability to acquire new businesses overseas, may be constrained by Indian and foreign laws, as well as various business, economic, political and legal risks, which could adversely affect our growth strategy and business prospects.

We offer our services and products in India and overseas markets such as south-east Asia, south Korea and Europe, among others. Our revenue from contracts with customers outside India were ₹ 21.96 million, ₹ 67.81 million, ₹ 99.39 million and ₹ 814.38 million for the Financial Years ended March 31, 2020, 2021 and 2022 and for the six months period ended September 30, 2022, or 0.17%, 0.56%, 0.67% and 8.27% of our revenue from contracts with customers in such periods, respectively.

We acquired 54.07% of the outstanding equity shares of Denave in the Financial Year ended March 31, 2022 which has allowed us entry into south-east Asia and certain selected European geographies. In addition, Matrix also provides Audit and Assurance services to customers located outside India. While we plan to continue to expand our presence in international markets by focusing on target countries globally, the expansion of our existing international operations and entry into additional international markets may require significant management attention and financial resources.

Our multinational operations are subject to inherent risks, including, but not limited to:

- entry barrier and difficulties in establishing brand recognition;
- uncertainties in cooperation with new local business partners;
- inability to adapt to consumers' preferences and local trends in new regions;
- exposure to expropriation or other government actions in new regions;
- increased costs related to marketing our services and products in new regions;
- start-up costs related to establishing offices, infrastructure and services in new regions;
- longer accounts receivable collection periods and greater difficulty in accounts receivable collection due to lower bargaining power in a less familiar market;
- potential foreign exchange and repatriation controls on foreign earnings, exchange rate fluctuations and currency conversion restrictions;
- the burden of complying with a variety of foreign laws, including delays or difficulties in obtaining government approvals and permits, and regulations and unexpected changes in the legal

and regulatory environment and differing labour laws;

- actions which may be taken by foreign governments pursuant to any applicable trade or other restrictions;
- difficulties and costs of staffing and managing multiple multinational operations;
- local language preferences and service requirements;
- attracting quality talent in new geographies;
- reduced protection for intellectual property rights in some jurisdictions, at a reasonable cost or at all;
- potentially adverse tax consequences, including tax consequences which may arise in connection with intercompany pricing for transactions between separate legal entities within a group operating in different tax jurisdictions;
- credit risk and higher levels of payment fraud;
- inability to obtain adequate insurance;
- challenges caused by distance, language and cultural differences, and by commencing business relationship with foreign partners, foreign agencies and governments; and
- political and economic instability including potential for political unrest, war or acts of terrorism in countries in which we may operate.

We may be unsuccessful in developing and implementing policies and strategies that will be effective in managing these risks in each country where we do business or plan to do business. Our failure to manage these risks successfully could adversely affect our business, operating results and financial condition.

Further, we may face competition in other countries from companies that have more experience with operations in such countries or with international operations generally. We may not be able to compete with such companies if we are unable to offer competitive services or products at better price points which appeal to consumers in such markets. If we are unable to successfully build our brand reputation and sale revenues in our international markets, it may limit our ability to grow our business. Also, by expanding into new regions and markets, we may be exposed to significant liability and could lose some or all of our investment in such regions, as a result of which our business, cash flows, financial condition and results of operations could be adversely affected.

40. ***We have experienced negative cash flows from operating, investing and financing activities in previous periods and cannot assure you that we will not experience negative cash flows in future periods. Negative cash flows may adversely affect our financial condition, results of operations and prospects.***

The following table sets forth certain information relating to our cash flows on a consolidated basis for the years / period indicated.

(₹ in million)

Particulars	Financial Year ended			Six months period ended September 30, 2022
	March 31, 2020	March 31, 2021	March 31, 2022	
Net cash flow from / (used in) operating activities	53.21	1,284.95	310.69	(5.23)
Net cash flow from / (used in) investing activities	(602.91)	(165.48)	(471.55)	(318.97)
Net cash flow from / (used in) financing activities	563.22	(846.63)	287.89	1,035.98
Net increase/(decrease) in cash and cash equivalents	**13.52**	**272.84**	**127.03**	**711.78**
Cash and cash equivalents at the beginning of the year / period	**78.57**	**172.99**	**445.83**	**572.86**
Additions on acquisition of Subsidiaries	**80.90**	**-**	**-**	**-**
Cash and cash equivalents at the end of the year / period	**172.99**	**445.83**	**572.86**	**1,284.64**

We may experience negative cash flows in the future as well. Negative cash flows over extended periods, or significant negative cash flows in the short term, could materially impact our ability to operate our business and implement our growth plans. This situation may have an adverse effect on our cash flows, business, future financial performance and results of operations.

For more information, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 495.

41. ***We may need to change our pricing models as and when necessary to compete successfully and an***

inability to do so could have an adverse effect on our business, cash flows, financial condition and results of operations.

The intense competition we face in our businesses, and general economic and business conditions can put pressure on us to reduce our prices. If our competitors offer deep discounts on certain services, we may need to lower prices or offer other favourable terms in order to compete successfully. Any such changes may reduce margins and could adversely affect our operating results. Any broad-based change to our prices and pricing policies could cause our revenues to decline or be delayed as a result of our customers adjusting to the new pricing policies. Some of our competitors may bundle services for promotional purposes or as a long-term pricing strategy and provide best price guarantees. These practices could, over time, significantly constrain the prices that we can charge for certain of our services. If we do not adapt our pricing models to reflect changes in customers' use of our services or changes in customer demand, our revenues could decrease and it could have an adverse effect on our business, cash flows, financial condition and results of operations.

42. Our Company will not receive any proceeds from the Offer for Sale.

The Offer includes an offer for sale of Equity Shares by the Selling Shareholders. The entire proceeds from the Offer for Sale will be paid to the Selling Shareholders, namely Tangi Facility Solutions Private Limited, India Business Excellence Fund – II and India Business Excellence Fund – IIA, and we will not receive any such proceeds from the Offer for Sale. For further details, see "*The Offer*", "*Capital Structure*" and "*Objects of the Offer*" on pages 76, 94 and 113, respectively.

43. We propose to utilize a portion of the Net Proceeds to undertake acquisitions for which targets have not been identified. Our inability to complete such transactions may adversely affect our competitiveness and growth prospects.

We have completed various acquisitions in the recent past and will continue to evaluate acquisition opportunities on an ongoing basis. We aim to continue to execute acquisitions to expand our services portfolio, and drive accelerated growth by leveraging our market access.

We intend to utilize ₹ 800.00 million from our Net Proceeds towards pursuing inorganic initiatives. The amount of Net Proceeds identified for acquisitions is based on our management's estimates. The actual deployment of funds will depend on a number of factors, including the timing, nature, size and number of strategic initiatives undertaken, as well as general factors affecting our results of operation, financial condition and access to capital. These factors will also determine the form of investment for these potential strategic initiatives, i.e., whether they will be directly done by our Company or through investments in our Subsidiaries in the form of equity, debt or any other instrument or combination thereof. At this stage, our Company cannot determine whether the form of investment will be equity, debt or any other instrument or combination thereof. The portion of the Net Proceeds allocated towards the acquisitions and strategic initiatives may not be the total value or cost of any acquisitions but is expected to provide us with sufficient financial leverage to enter into binding agreements. As on the date of this Draft Red Herring Prospectus, we have not entered into any definitive agreements towards any future acquisitions or strategic initiatives.

It is possible that we may not be able to identify suitable targets, or that if we do identify suitable targets, we may not be able to complete those transactions on terms commercially acceptable to us or at all. The inability to identify suitable targets or investments and the inability to complete such transactions may adversely affect our competitiveness and growth prospects. In the event we are unable to identify or conclude transactions for potential inorganic growth to the extent of ₹ 800.00 million or a part thereof, we may utilize the balance amount for any other purposes only in accordance with Sections 13(8) and 27 of the Companies Act, 2013. This will entail an authorization by the shareholders in a general meeting by way of a special resolution to vary the object and an exit opportunity to the shareholders who do not agree to such proposal to vary the objects, in accordance with our Articles of Association and Schedule XX read with Regulation 59 of the SEBI ICDR Regulations.

44. Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance have been included in this Draft Red Herring Prospectus. These non-GAAP financial measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable.

Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance like total income (excluding finance income), earnings before interest tax depreciation and amortization ("**EBITDA**"), adjusted EBITDA, earnings before interest and tax ("**EBIT**"), adjusted EBIT, capital employed, return on capital employed ("**ROCE**"), adjusted ROCE, total borrowings / equity, non current borrowings / equity, return on equity, net worth, net debt (cash), net debt (cash) / equity, net debt (cash) / adjusted EBITDA and total material cost, among others, which are derived from the Restated Consolidated Financial Information (collectively, the "**Non-GAAP Measures**") have been included in this Draft Red Herring Prospectus. We compute and disclose such non-GAAP financial measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance. These Non-GAAP Measures are supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or US GAAP. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit / (loss) for the years / period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or US GAAP. In addition, these Non-GAAP Measures are not standardised terms, hence a direct comparison of these Non-GAAP Measures between companies may not be possible. Other companies may calculate these Non-GAAP Measures differently from us, limiting its usefulness as a comparative measure.

These Non-GAAP Measures and other statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies.

45. We are subject to several tax regimes. Any failure to comply with such tax laws and any changes in tax laws and rules applicable to us may adversely affect our cash flows, results of operations and financial condition.

Taxes and other levies imposed by the GoI or State governments in India that affect our business and operations include income tax, GST and other additional taxes and surcharges introduced on a permanent or temporary basis from time to time. Our operations, while primarily located in India, are also located in United Kingdom, Singapore, Malaysia and Poland. Consequently, we are subject to the jurisdiction of a significant number of tax authorities and regimes. The revenues recorded and income earned in these various jurisdictions are taxed on differing bases, including net income actually earned. The final determination of our tax liabilities involves the interpretation of local tax laws, tax treaties and related authorities in each jurisdiction as well as the significant use of estimates and assumptions regarding the scope of future operations and results achieved and the timing and nature of income earned and expenditures incurred. These tax liabilities and tax regimes also involve the assessment of transfer pricing arrangements among our Company and its Subsidiaries in different tax jurisdictions. Although we enter into arms-length transactions among our Company and its Subsidiaries, there can be no assurance that regulatory and tax authorities in the various jurisdictions that we operate in will not disagree with our assessment of such transactions. Changes in the operating environment, including changes in tax law and currency/repatriation controls, including on a retroactive basis, could impact the determination of our tax liabilities for any given tax year. Foreign income tax returns of foreign subsidiaries, unconsolidated affiliates and related entities are routinely examined by foreign tax authorities. These tax examinations may result in assessments of additional taxes or penalties or both and have an adverse effect on our cash flows, results of operations and financial condition.

46. Our Promoters and members of the Promoter Group will continue to retain significant shareholding in our Company after the Offer, which will allow them to exercise significant influence over us.

After the completion of the Offer, our Promoters and members of the Promoter Group will hold approximately [●]% of our outstanding Equity Shares. Accordingly, our Promoters and members of the Promoter Group will continue to exercise significant influence over our business and all matters requiring shareholders' approval, including the composition of our Board of Directors, the approval of mergers, strategic acquisitions or joint ventures or the sales of substantially all of our assets, and the policies for dividends, lending, investments and capital expenditures. This concentration of ownership may also delay, defer or even prevent a change in control of our Company and may make some transactions more difficult or impossible without the support of our Promoters and members of the Promoter Group. The interests of our Promoter, as our Company's controlling shareholder, could conflict with our Company's interests, your interests or the interests of our other shareholders. There is no assurance that our Promoter will act to resolve any conflicts of interest in our Company's or your favour.

47. Certain of our Promoters, Directors, Key Managerial Personnel and Senior Management may have interests in us other than reimbursement of expenses incurred and normal remuneration or benefits.

Certain of our Promoters and Directors, Key Managerial Personnel and Senior Management may be regarded as having an interest in our Company other than reimbursement of expenses incurred and normal remuneration or benefits. Certain Directors and Promoters may be deemed to be interested to the extent of employee stock options / Equity Shares, as applicable, held by them and by members of our Promoter Group, to the extent applicable, as well as to the extent of any dividends, bonuses or other distributions on such Equity Shares. There can be no assurance that our Promoters, Directors, our Key Managerial Personnel and Senior Management will exercise their rights as shareholders to the benefit and best interest of our Company. For further details, see "*Capital Structure*", "*Our Promoters and Promoter Group*" and "*Our Management*" on pages 94, 271 and 254, respectively.

48. Conflicts of interest may arise out of common business objects between our Company and certain of the members of our Promoter Group.

Conflicts may arise in the ordinary course of decision making by our Promoters or Board of Directors. Certain of the members of our Promoter Group such as Tangi Facility Solutions Private Limited and Best Security Services Private Limited are engaged in, or authorized to carry out, business similar to that of our Company. While we will adopt necessary procedures and practices as permitted by law to address any instances of conflict of interest, if and when they may arise, we cannot assure you that these or other conflicts of interest will be resolved in an impartial manner. Further, due to the conflict of interest between us, or to the extent that competing business operations offered by these Promoter Group members erode our market share, we may not be able to effectively manage any such conflict or competitive pressures and, consequently, our business, cash flows, results of operation and financial condition may be adversely affected.

49. An inability to accurately anticipate the cost and complexity of performing work on any fixed price or SLA linked contract undertaken by us may adversely affect our results of operations.

We negotiate pricing terms for a particular contract utilizing a range of pricing structures and conditions, including cost-plus contracts, fixed price contracts and/or SLA linked contracts. Our pricing is dependent on our internal forecasts, which may be based on limited data and could prove to be inaccurate. If we do not accurately estimate the costs and timing for completing fixed price or SLA linked contracts, such contracts could prove unprofitable for us or yield lower profit margins than anticipated. There is a risk that we will under-price our contracts, fail to accurately estimate the costs of performing the work or fail to accurately assess the risks associated with potential contracts. In particular, any increased or unexpected costs, delays or failures to achieve anticipated cost savings, or unexpected risks we encounter in connection with the performance of such contracts, including those caused by factors outside our control, or any failure to complete our contractual obligations at the committed service levels could adversely affect our revenue and profitability.

50. We have issued Equity Shares during the preceding 12 months from the date of this Draft Red Herring Prospectus at a price which may not be indicative of the Offer Price.

Our Company made an allotment of 134,988 Equity Shares to the shareholders of Matrix Business Services India Private Limited on preferential allotment basis, as part addendum to the investment agreement dated April 25, 2019 on December 5, 2022 entered into by our Company with Matrix Business Services India Private Limited and its promoters, namely, Pondicherry Chidambaram Balasubramanian, Gopalan Viswanathan, P. Sankararaman, Jayasree Srinivasan, G. Mukund and P. P. Viswanathan, for the purpose of acquiring the remaining stake in Matrix Business Services India Private Limited. Pursuant to this acquisition, Matrix Business Services India Private Limited became our wholly-owned Subsidiary. For details, see "*Capital Structure*" on page 94.

The Offer Price is not indicative of the price at which our Company has issued the Equity Shares in the preceding 12 months or that will prevail in the open market following listing of the Equity Shares.

51. Certain of the services that we offer to our customers, are subject to seasonal variations. Such seasonality requires us to predict demand for our services and we may consequently be unable to accurately forecast such demand.

Certain of the services that we offer, are subject to seasonal variations. For instance, we offer institutional catering services through our Subsidiary, Fusion Foods, to educational institutions. Given that the education institutions in India are closed in the summer months for their yearly vacations, our revenue generation gets adversely affected for such period of closure. Further, certain of our customers who are in the retail industry, witness higher footfall during the second half of each calendar year, particularly during the festive season in India. This results in an increased requirement for and deployment of, manpower which has a positive effect on our results of operations and profitability.

We estimate demand for our products and services based on our understanding of anticipated consumer spending on our products and services. If we underestimate demand, we may not be prepared to deploy the required resources at the sites of our customers, which could result in the loss of business. On the other hand, if we overestimate demand, we may deploy more number of resources than required at customer locations. We make these predictions from our own market assessments. However, if we were to make an inaccurate prediction of such demands, it could have an adverse effect on the business.

EXTERNAL RISK FACTORS

Risks Related to India

52. Financial and political instability in other countries may cause increased volatility in Indian financial markets.

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, particularly emerging market countries in Asia, Europe and the United States of America. In particular, the ongoing military conflicts between Russia and Ukraine could result in increased volatility in, or damage to, the worldwide financial markets and economy. Increased economic volatility and trade restrictions could result in increased volatility in the markets for certain securities and commodities and may cause inflation. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our business, our future financial performance and the prices of the Equity Shares.

The recent outbreak of COVID-19 has significantly affected financial markets around the world. Any other global economic developments or the perception that any of them could occur may continue to have an adverse effect on global economic conditions and the stability of global financial markets. It may significantly reduce global market liquidity and restrict the ability of key market participants to operate in certain financial markets. Any of these factors could depress economic activity and restrict our access to capital, which could have an adverse effect on our business, cash flows, financial condition and results of operations and reduce the price of our Equity Shares. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity and the price of our Equity Shares.

In addition, India has experienced, and may in the future experience, political instability, including strikes, demonstrations, protests, marches, guerilla activity or other types of civil disorder. Acts of violence, terrorist attacks, regional conflicts or situations or war may also adversely affect the financial markets, which may impact our business. These instabilities and any adverse changes in the political environment could increase our costs, increase our exposure to legal and business risks, disrupt our operations or affect our ability to expand.

53. Our business is significantly affected by fluctuations in general economic activity.

Demand for integrated business services is significantly affected by the general level of commercial activity and economic conditions in the regions in which we operate. Our results of operations are affected by the level of business activity of our customers, which in turn is affected by the macroeconomic conditions in the economy and the industries in which they operate.

An economic downturn in a region in which we operate may adversely affect our operations in that region, as the demand for management of commercial and office spaces is co-related with the overall commercial activity in the region. Some of our Company's top customers are multi-national corporations, and a downturn in the global markets may adversely affect their operations, thereby affecting our business, cash flows, financial conditions or results of operations.

During period of economic downturn, many companies may look to reduce fixed costs, and may accordingly limit their use of facility management and other business services. We may also experience more competitive pricing pressure during periods of economic downturn. If, in the event of unfavorable economic conditions, companies limit their spending on the services which we provide, it may have a material adverse effect on our financial and operating performance. Economic recovery is difficult to predict, and may be short lived, slow or uneven, with certain regions continuing to experience declines or weakness in economic activity while others improve. Differing economic conditions and patterns of economic growth or contraction in the geographical regions in which we operate may affect demand for our business services. Negative developments in one or more regions we operate in could result in a reduction in demand for our services, the cancellation or delay of contracts already placed, difficulty in collecting receivables, and a higher cost of doing business, any of which could adversely affect our business, cash flows, results of operations or financial condition.

54. We may be affected by competition laws, the adverse application or interpretation of which could adversely affect our business.

The Competition Act, 2002, of India, as amended ("**Competition Act**"), regulates practices having an appreciable adverse effect on competition in the relevant market in India ("**AAEC**"). Under the Competition Act, any formal or informal arrangement, understanding or action in concert, which causes or is likely to cause an AAEC is considered void and may result in the imposition of substantial penalties. Further, any agreement among competitors which directly or indirectly involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment or the provision of services or shares the market or source of production or provision of services in any manner, including by way of allocation of geographical area or number of customers in the relevant market or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an AAEC and is considered void. The Competition Act also prohibits abuse of a dominant position by any enterprise.

On March 4, 2011, the Government notified and brought into force the combination regulation (merger control) provisions under the Competition Act with effect from June 1, 2011. These provisions require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to and pre-approved by the Competition Commission of India (the "**CCI**"). Additionally, on May 11, 2011, the CCI issued Competition Commission of India (Procedure for Transaction of Business Relating to Combinations) Regulations, 2011, as amended, which sets out the mechanism for implementation of the merger control regime in India.

The Competition Act aims to, among others, prohibit all agreements and transactions which may have an AAEC in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an AAEC in India. However, the impact of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage.

55. Investors may not be able to enforce a judgment of a foreign court against our Company outside India.

Our Company is incorporated under the laws of India. A majority of our Company's assets are located in India and all of our Company's Directors, Key Managerial Personnel and Senior Management are residents of India. As a result, it may not be possible for investors to effect service of process upon our Company or such persons in jurisdictions outside India, or to enforce against them judgments obtained in courts outside India, including judgments predicated upon the civil liability provisions of the securities laws of jurisdictions outside India. Moreover, it is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India or that an Indian court would enforce foreign judgments if it viewed the amount of damages as excessive or inconsistent with Indian public policy.

India has reciprocal recognition and enforcement of judgments in civil and commercial matters with a limited number of jurisdictions, which includes, the United Kingdom, United Arab Emirates, Singapore and Hong Kong. A judgment from certain specified courts located in a jurisdiction with reciprocity must meet certain requirements of the Civil Code. The United States and India do not currently have a treaty providing for reciprocal recognition and enforcement of judgments in civil and commercial matters. Therefore, a final judgment for the payment of money rendered by any federal or state court in a non-reciprocating territory, such as the United States, for civil liability, whether or not predicated solely upon the general securities laws of the United States, would not be enforceable in India under the Civil Code as a decree of an Indian court.

The United Kingdom, United Arab Emirates, Singapore and Hong Kong have been declared by the Government of India to be reciprocating territories for purposes of Section 44A of the Civil Code. A judgment of a court of a country which is not a reciprocating territory may be enforced in India only by a suit on the judgment under Section 13 of the Civil Code, and not by proceedings in execution. Section 13 of the Civil Code provides that foreign judgments shall be conclusive regarding any matter directly adjudicated on except (i) where the judgment has not been pronounced by a court of competent jurisdiction, (ii) where the judgment has not been given on the merits of the case, (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or refusal to recognise the law of India in cases to which such law is applicable, (iv) where the proceedings in which the judgment was obtained were opposed to natural justice, (v) where the judgment has been obtained by fraud or (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Under the Civil Code, a court in India shall, on the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record. The Civil Code only permits the enforcement of monetary decrees, not being in the nature of any amounts payable in respect of taxes, other charges, fines or penalties. Judgments or decrees from jurisdictions which do not have reciprocal recognition with India cannot be enforced by proceedings in execution in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be enforceable in India. Even if an investor obtained a judgment in such a jurisdiction against us, our officers or directors, it may be required to institute a new proceeding in India and obtain a decree from an Indian court. Further, there may be considerable delays in the disposal of suits by Indian courts.

However, the party in whose favour such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in the United States or other such jurisdiction within three years of obtaining such final judgment. It is unlikely that an Indian court would award damages on the same basis as a foreign court if an action is brought in India. Moreover, it is unlikely that an Indian court would award damages to the extent awarded in a final judgment rendered outside India if it believes that the amount of damages awarded were excessive or inconsistent with Indian practice. In addition, any person seeking to enforce a foreign judgment in India is required to obtain the prior approval of the RBI to repatriate any amount recovered.

56. The occurrence of natural or man-made disasters could adversely affect our results of operations, cash flows and financial condition. Hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business.

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations, cash flows or financial condition. In addition, India has witnessed local civil disturbances in recent years, in particular communal violence across ethnic or communal lines involving conflicts, riots and other forms of violence between communities of different religious faith or ethnic origins, and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business. Terrorist attacks and other acts of violence or war may adversely affect the Indian securities markets. In addition, any deterioration in international relations, especially between India and its neighbouring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.

57. We are subject to regulatory, economic, social and political uncertainties and other factors beyond our control which may have an adverse effect on our business and result of operations.

We are incorporated in India and we conduct our corporate affairs and our business in India. Our Equity Shares are proposed to be listed on BSE and NSE. Consequently, our business, operations, financial performance and the market price of our Equity Shares will be affected by interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India.

Factors that may adversely affect the Indian economy, and hence our results of operations may include:

- any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets
- any scarcity of credit or other financing in India, resulting in an adverse effect on economic conditions in India and scarcity of financing for our expansions
- prevailing income conditions among Indian customers and Indian corporations
- epidemic or any other public health in India or in countries in the region or globally, including in India’s various neighbouring countries
- macroeconomic factors and central bank regulation, including in relation to interest rates movements which may in turn adversely impact our access to capital and increase our borrowing costs
- volatility in, and actual or perceived trends in trading activity on, India’s principal stock exchanges
- decline in India's foreign exchange reserves which may affect liquidity in the Indian economy
- downgrading of India’s sovereign debt rating by rating agencies; and
- difficulty in developing any necessary partnerships with local businesses on commercially acceptable terms and/or a timely basis.

Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy or certain regions in India, could adversely affect our business, cash flows, results of operations and financial condition and the price of the Equity Shares.

58. If inflation were to rise in India, we might not be able to increase the prices of our products and services at a proportional rate in order to pass costs on to our customers and our profits might decline.

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of salaries, and other expenses relevant to our business.

High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to pass on to our customers, whether entirely or in part, and the same may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or increase our rates to pass the increase in costs on to our customers. In such case, our business, results of operations, cash flows and financial condition may be adversely affected.

Further, the Government of India has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

59. Foreign investors are subject to foreign investment restrictions under Indian laws which limit our ability

to attract foreign investors, which may adversely impact the market price of our Equity Shares.

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain restrictions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Indian Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/tax clearance certificate from the income tax authority. As provided in the foreign exchange controls currently in effect in India, the RBI has provided that the price at which the Equity Shares are transferred be calculated in accordance with internationally accepted pricing methodology for the valuation of shares at an arm's length basis, and a higher (or lower, as applicable) price per share may not be permitted. We cannot assure investors that any required approval from the RBI or any other Indian government agency can be obtained on any particular terms, or at all. Further, due to possible delays in obtaining requisite approvals, investors in the Equity Shares may be prevented from realizing gains during periods of price increase or limiting losses during periods of price decline.

The Equity Shares will be quoted in INR on the Stock Exchanges. Any dividends in respect of the Equity Shares will be paid in ₹ and subsequently converted into appropriate foreign currency for repatriation. In addition, any adverse movement in exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares, may reduce the net proceeds received by shareholders.

60. The Indian tax regime is currently undergoing substantial changes which could adversely affect our business and the trading price of the Equity Shares.

Our business, cash flows, results of operations and financial condition could be adversely affected by any change in the extensive central and state tax regime in India applicable to us and our business. Tax and other levies imposed by the central and state governments in India that affect our tax liability, include central and state taxes and other levies, income tax, turnover tax, goods and service tax, stamp duty and other special taxes and surcharges, which are introduced on a temporary or permanent basis from time to time. This extensive central and state tax regime is subject to change from time to time. The final determination of our tax liability involves the interpretation of local tax laws and related regulations in each jurisdiction, as well as the significant use of estimates and assumptions regarding the scope of future operations and results achieved and the timing and nature of income earned and expenditures incurred.

The Finance Act, 2020 ("**Finance Act**"), has, amongst others things, provided a number of amendments to the direct and indirect tax regime, including, without limitation, a simplified alternate direct tax regime. For instance, dividend distribution tax ("**DDT**") will not be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident and are likely be subject to tax deduction at source. The Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source from such dividend. Investors should consult their own tax advisors about the consequences of investing or trading in the Equity Shares.

In addition, we are subject to tax related inquiries and claims. We may be particularly affected by claims from tax authorities on account of income tax assessment, service tax and GST that combines taxes and levies by the central and state governments into one unified rate of interest with effect from July 1, 2017 and all subsequent changes and amendments thereto.

Further, the Government of India has introduced the Finance Bill, 2023, in the Union Budget for the Financial Year ended March 31, 2024. The Finance Bill, 2023 proposes various amendments to taxation laws in India. As such, there is no certainty on the impact that the Finance Bill, 2023 may have on our business and operations or on the industry in which we operate. In addition, unfavorable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. We may incur increased costs relating to compliance with such new requirements, which may also require management time and other resources, and any failure to comply may adversely affect our business, cash flows, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

We cannot predict whether any new tax laws or regulations impacting our services will be enacted, the likely nature and impact of the specific terms of any such laws or regulations or whether, if at all, any laws or regulations would have an adverse effect on our business.

61. ***Significant differences exist between Indian Accounting Standards ("Ind AS") and other accounting principles, such as the generally accepted accounting principles in the US ("US GAAP") and International Financial Reporting Standards ("IFRS"), which may be material to investors' assessment of our financial condition.***

We have, in this Draft Red Herring Prospectus, included the Restated Consolidated Financial Information which have been derived from our audited consolidated financial statements as at and for the six months period ended September 30, 2022 prepared in accordance with Ind AS 34, and the Financial Years ended March 31, 2022, March 31, 2021 and March 31, 2020, prepared in accordance with Ind AS and restated by our Company in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, relevant provisions of the SEBI ICDR Regulations, and the Guidance Note on Reports on Company Prospectuses (Revised 2019) issued by the ICAI. We have not attempted to quantify the impact of US GAAP or IFRS on the financial data included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of US GAAP or IFRS. US GAAP and IFRS differ in significant respects from Ind AS. Accordingly, the degree to which the Restated Consolidated Financial Information, which are restated as per the SEBI ICDR Regulations included in this Draft Red Herring Prospectus, will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should be limited accordingly. In addition, some of our competitors may not present their financial statements in accordance with Ind AS and their financial statements may not be directly comparable to ours, and therefore reliance should accordingly be limited.

Risks Related to the Equity Shares

62. ***The requirements of being a publicly listed company may strain our resources.***

We are not a publicly listed company and have not, historically, been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the SEBI Listing Regulations which will require us to file audited annual and audited / unaudited quarterly reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations as promptly as other listed companies. Further, as a publicly listed company, we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required. As a result, our management's attention may be diverted from our business concerns, which may adversely affect our business, cash flows, prospects, results of operations and financial condition. In addition, we may need to hire additional legal and accounting staff with appropriate experience and technical accounting knowledge, but we cannot assure you that we will be able to do so in a timely and efficient manner.

63. ***The determination of the Price Band is based on various factors and assumptions and the Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer. Further, the current market price of some securities listed pursuant to certain previous issues managed by the Book Running Lead Managers is below the respective issue price.***

The determination of the Price Band is based on various factors and assumptions, and will be determined by our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers. Furthermore, the Offer Price of the Equity Shares will be determined by the Company and the Selling Shareholders, in consultation with the Book Running Lead Managers, through the Book Building Process. These will be based on numerous factors, including factors as described under "*Basis for the Offer Price*" on page 128 and may not be indicative of the market price for the Equity Shares after the Offer.

In addition to the above, the current market price of securities listed pursuant to certain previous initial public offerings managed by the Book Running Lead Managers may be below their respective issue price. The market price of the Equity Shares can be volatile as a result of several factors beyond our control, including volatility in the Indian and global securities markets, our results of operation, the performance of our competitors, changing perceptions in the market about investments in this sector in India, investor perceptions of our future performance, adverse media reports about us or our sector, changes in the estimates of our performance or recommendations by financial analysts, significant developments in India's economic liberalisation and deregulation policies, and significant developments in India's fiscal regulations. In addition, the Stock Exchanges may experience significant price and volume fluctuations, which may have an adverse effect on the market price of the Equity Shares We cannot assure you that an active market will develop, or sustained trading will take place in the Equity Shares or provide any assurance regarding the price at which the Equity Shares will be traded after listing.

64. An investment in the Equity Shares is subject to general risks related to investments in Indian companies.

Our Company is incorporated in India and a majority of our assets and employees are located in India. Consequently, our business, cash flows, results of operations, financial condition and the market price of the Equity Shares will be affected by changes in interest rates in India, policies of the Government of India, including taxation policies along with policies relating to industry, political, social and economic developments affecting India.

65. Investors may be subject to Indian taxes arising out of income arising on the sale of and dividend on the Equity Shares.

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares held as investments in an Indian company are generally taxable in India. Any capital gain realized on the sale of listed equity shares on a Stock Exchange held for more than 12 months immediately preceding the date of transfer will be subject to long term capital gains in India at the specified rates depending on certain factors, such as whether the sale is undertaken on or off the Stock Exchanges, the quantum of gains and any available treaty relief. Accordingly, we may be subject to payment of long-term capital gains tax in India, in addition to payment of securities transaction tax ("**STT**"), on the sale of any Equity Shares held for more than 12 months immediately preceding the date of transfer. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold.

Further, any capital gains realized on the sale of listed equity shares held for a period of 12 months or less immediately preceding the date of transfer will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will not be chargeable to tax in India in cases where relief from such taxation in India is provided under a treaty between India and the country of which the seller is resident and the seller is entitled to avail benefits thereunder, subject to certain conditions. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

Similarly, any business income realized from the transfer of Equity Shares held as trading assets is taxable at the applicable tax rates subject to any treaty relief, if applicable, to a non-resident seller. Additionally, in terms of the Finance Act, 2018, which has been notified on March 29, 2018 with effect from April 1, 2018, the tax payable by an assessee on the capital gains arising from transfer of long term capital asset (introduced as section 112A of the Income-tax Act, 1961) shall be calculated on such long-term capital gains at the rate of 10%, where the long-term capital gains exceed ₹100,000, subject to certain exceptions in case of a resident individuals and HUF.

Further, the Finance Act, 2019 has made various amendments in the taxation laws and has also clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures, on a delivery basis is specified at 0.015% and on a non -delivery basis is specified at 0.003% of the consideration amount. These amendments have come into effect from July 1, 2020.

Additionally, the Finance Act does not require DDT to be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident. The Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source pursuant to any corporate action including dividends.

66. Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions due to which they may have difficulty in asserting their rights as a shareholder.

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

67. The Equity Shares have never been publicly traded, and, after the Offer, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the price of the Equity Shares may be volatile, and you may be unable to resell the Equity Shares at or above the Offer Price, or at all.

Prior to the Offer, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Offer. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Offer Price of the Equity Shares is proposed to be determined through a book-building process and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter.

The market price of the Equity Shares may fluctuate as a result of, among other things, the following factors, some of which are beyond our control:

- results of operations that vary from the expectations of securities analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial performance, including financial estimates by research analysts and investors;
- a change in research analysts' recommendations;
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations or capital commitments;
- announcements by third parties or governmental entities of major claims or proceedings against us;
- developments relating to our peer companies in our industry;
- new laws and governmental regulations applicable to our industry;
- additions or departures of Key Managerial Personnel and Senior Management;
- speculative trading in the Equity Shares;
- outbreaks of new pandemics or epidemics;
- the public's reaction to our press releases and adverse media reports;
- fluctuations in stock market prices and volume; and
- general economic and stock market conditions.

Changes in relation to any of the factors listed above could adversely affect the price of the Equity Shares. The market price of the Equity Shares may decline below the Offer Price and investors may not be able to re-sell Equity Shares at or above the Offer Price resulting in a loss of all or part of the investment.

68. Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may have an adverse

effect on the value of our Equity Shares, independent of our operating results.

On listing, our Equity Shares will be quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by equity shareholders. For example, the exchange rate between the Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may have an adverse effect on the trading price of our Equity Shares and returns on our Equity Shares, independent of our operating results. Any of these factors may result in large and sudden changes in the volume and trading price of the Equity Shares. In the past, following periods of volatility in the market price of a company's securities, shareholders have often instituted securities class action litigation against that company. If we were involved in a class action suit, it could divert the attention of management, and, if adversely determined, have a material adverse effect on our business, cash flows, results of operations and financial condition.

69. Investors may not be able to sell immediately on an Indian stock exchange any of the Equity Shares they purchase in the Offer.

The Equity Shares will be listed on the Stock Exchanges. Pursuant to applicable Indian laws, certain actions must be completed before the Equity Shares can be listed and trading in the Equity Shares may commence. The Allotment of Equity Shares in the Offer and the credit of such Equity Shares to the applicant's demat account with depository participant could take approximately five Working Days from the Bid/ Offer Closing Date and trading in the Equity Shares upon receipt of final listing and trading approvals from the Stock Exchanges is expected to commence within six Working Days of the Bid/ Offer Closing Date. There could also be a failure or delay in listing of the Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval or otherwise commence trading in the Equity Shares would restrict investors' ability to dispose of their Equity Shares. There can be no assurance that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this risk factor. We could also be required to pay interest at the applicable rates if allotment is not made, refund orders are not dispatched or demat credits are not made to investors within the prescribed time periods.

70. Any future issuance of Equity Shares, or convertible securities or other equity linked securities by us may dilute your shareholding and any sale of Equity Shares by our Promoter or members of our Promoter Group may adversely affect the trading price of the Equity Shares.

Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by us, may dilute your shareholding in our Company, adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. Any future issuances could also dilute the value of your investment in the Equity Shares. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we will not issue additional Equity Shares. The disposal of Equity Shares by our Promoter and Promoter Group, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. Except as disclosed in "*Capital Structure*" on page 94, we cannot assure you that our Promoter and Promoter Group will not dispose of, pledge or encumber their Equity Shares in the future. We cannot predict what effect, if any, market sales of our Equity Shares held by our Promoters or other major shareholders or the availability of these Equity Shares for future sale will have on the market price of our Equity Shares.

71. Compliance with provisions of Foreign Account Tax Compliance Act may affect payments on the Equity Shares.

The U.S. 'Foreign Account Tax Compliance Act' (or "**FATCA**") imposes a new reporting regime and potentially imposes a 30% withholding tax on certain 'foreign passthru payments' made by certain non-U.S. financial institutions (including intermediaries).

If payments on the Equity Shares are made by such non-U.S. financial institutions (including intermediaries), this withholding may be imposed on such payments if made to any non-U.S. financial institution (including an intermediary) that is not otherwise exempt from FATCA or other holders who do not provide sufficient identifying information to the payer, to the extent such payments are considered 'foreign passthru payments'. Under current guidance, the term 'foreign passthru payment' is not defined and it is therefore not clear whether and to what extent payments on the Equity Shares would be considered 'foreign passthru payments'. The United States has entered into intergovernmental agreements with many jurisdictions (including India) that modify the FATCA withholding regime described above. It is not yet clear how the intergovernmental agreements between the United States and these jurisdictions will address 'foreign passthru payments' and whether such agreements will require us or other financial institutions to withhold or report on payments on the Equity Shares to the extent they are treated as 'foreign passthru payments'. Prospective investors should consult their tax advisors regarding the consequences of FATCA, or any intergovernmental agreement or non-U.S. legislation implementing FATCA, to their investment in Equity Shares.

72. Holders of Equity Shares may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby suffer future dilution of their ownership position.

Under the Companies Act, a company incorporated in India must offer its equity shareholders pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages prior to issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the equity shares voting rights on such resolution. However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. If our Company elects not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the investor's benefit. The value the custodian receives on the sale of such securities and the related transaction costs cannot be predicted. To the extent that you are unable to exercise pre-emptive rights granted in respect of our Equity Shares, your proportional interests in our Company may be diluted.

73. Qualified Institutional Buyers and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid and Retail Individual Bidders are not permitted to withdraw their Bids after the Bid/Offer Closing Date.

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are required to pay the Bid Amount on submission of the Bid and are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Investors can revise their Bids during the Bid/Offer Period and withdraw their Bids until Bid/Offer Closing Date. While our Company is required to complete all necessary formalities for listing and commencement of trading of the Equity Shares on all Stock Exchanges where such Equity Shares are proposed to be listed including Allotment pursuant to the Offer within six Working Days from the Bid/Offer Closing Date, events affecting the Bidders' decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, cash flows, results of operation or financial condition may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events limit the Bidders' ability to sell the Equity Shares Allotted pursuant to the Offer or cause the trading price of the Equity Shares to decline on listing.

SECTION IV – INTRODUCTION

THE OFFER

The following table summarizes the details of the Offer:

Offer of Equity Shares(1)	Up to [●] Equity Shares, aggregating up to ₹ [●] million
of which:	
(i) Fresh Issue (1) ^	Up to [●] Equity Shares, aggregating up to ₹ 4,000.00 million
(ii) Offer for Sale (2)	Up to 13,300,000 Equity Shares, aggregating up to ₹ [●] million
The Offer comprises:	
A) QIB Portion (3) (4)	Not more than [●] Equity Shares
of which:	
(i) Anchor Investor Portion	Up to [●] Equity Shares
(ii) Balance available for allocation to QIBs other than Anchor Investors (assuming Anchor Investor Portion is fully subscribed)	[●] Equity Shares
of which:	
(a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	[●] Equity Shares
(b) Balance for all QIBs including Mutual Funds	[●] Equity Shares
B) Non-Institutional Portion (5) (6) (7)	Not less than [●] Equity Shares
of which:	
One-third of the Non-Institutional Portion reserved for applicants with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million	[●] Equity Shares
Two-third of the Non-Institutional Portion reserved for applicants with an application size of more than ₹ 1.00 million	[●] Equity Shares
C) Retail Portion (5) (7)	Not less than [●] Equity Shares
Pre and post Offer Equity Shares	
Equity Shares outstanding prior to the Offer (as at the date of this Draft Red Herring Prospectus)	52,952,467 Equity Shares
Equity Shares outstanding after the Offer	[●] Equity Shares
Use of Net Proceeds	See "*Objects of the Offer*" on page 113 for information on the use of proceeds arising from the Fresh Issue. Our Company will not receive any proceeds from the Offer for Sale.

Notes:

^ Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement aggregating up to ₹ 800.00 million. If the Pre-IPO Placement is completed, the Fresh Issue size will be reduced to the extent of such Pre-IPO Placement, subject to the Offer complying with Rule 19(2)(b) of the SCRR.

(1) The Offer has been authorized by a resolution of our Board dated March 21, 2023 and the Fresh Issue has been authorized by a special resolution of our Shareholders dated March 22, 2023. The Offer shall be made in accordance with Rule 19(2)(b) of the SCRR.

(2) The Equity Shares being offered by the Selling Shareholders are eligible for being offered for sale in terms of the SEBI ICDR Regulations. Each of the Selling Shareholders has authorized the sale of its respective portion of the Offered Shares in the Offer for Sale. For details on the authorisation of the Selling Shareholders in relation to the Offered Shares, see "Other Regulatory and Statutory Disclosures – Authority for the Offer" on page 564.

(3) Our Company and the Selling Shareholders may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis. The QIB Portion will accordingly be reduced for the Equity Shares allocated to Anchor Investors. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For details, see "Offer Procedure" on page 586.

(4) Under-subscription, if any, in the QIB Portion would not be allowed to be met with spill-over from other categories or a combination of categories. Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category except the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories, as applicable, at the discretion of our Company and the Selling Shareholder, in consultation with the BRLMs and the Designated Stock Exchange. In the event of under-subscription in the Offer, the Allotment for the valid Bids will be made, in the first instance, towards subscription for 90% of the Fresh Issue. If there remain any balance valid Bids in the Offer, the Allotment for the balance valid Bids will be made, pro

rata towards Equity Shares offered by the Investor Selling Shareholders and the Promoter Group Selling Shareholder, and thereafter, towards the balance Fresh Issue.

(5) Allocation to all categories, except Anchor Investors, if any, Non-Institutional Bidders and Retail Individual Bidders, shall be made on a proportionate basis, subject to valid Bids received at or above the Offer Price. The allocation to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. Allocation to each Non-Institutional Bidders shall not be less than ₹ 0.20 million, subject to the availability of Equity Shares in Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allocated on a proportionate basis in accordance with the SEBI ICDR Regulations. For details, see "Offer Procedure" on page 587.

(6) The Equity Shares available for allocation to Non-Institutional Bidders under the Non-Institutional Portion, shall be subject to the following: (i) one-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million, and (ii) two-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with application size of more than ₹ 1.00 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders. The allotment to each Non-Institutional Bidder shall not be less than the Minimum NIB Application Size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis.

(7) SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹ 0.5 million shall use UPI. UPI Bidders using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

For details, including in relation to grounds for rejection of Bids, refer to "*Offer Structure*" and "*Offer Procedure*" on pages 584 and 587, respectively. For details of the terms of the Offer, see "*Terms of the Offer*" on page 578.

SUMMARY FINANCIAL INFORMATION

The following tables set forth the summary financial information derived from our Restated Consolidated Financial Information. The summary financial information presented below may differ in certain significant respects from generally accepted accounting principles in other countries, including IFRS. The summary financial information presented below should be read in conjunction with our Restated Consolidated Financial Information, the notes and annexures thereto and the section "Management's Discussion and Analysis of Financial Position and Results of Operations" on page 495.

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Summary derived from our Restated Consolidated Financial Information

Summary Balance Sheet data

(in ₹ million)

Particulars	As at			
	March 31, 2020	March 31, 2021	March 31, 2022	September 30, 2022
Assets				
Non- current assets				
Property, plant and equipment	199.50	135.12	332.02	442.64
Capital work in progress	-	3.20	41.24	48.77
Goodwill	457.03	457.03	1,280.28	1,280.28
Other Intangible assets	144.43	120.16	311.25	284.65
Right-of-use assets	53.44	36.69	120.35	121.52
Contract Assets	118.96	108.30	184.77	208.62
Financial assets				
(i) Investments	0.10	0.10	0.10	0.10
(ii) Loans	-	-	1.58	1.67
(iii) Other financial assets	100.49	139.12	307.27	412.07
Deferred tax asset (net)	302.62	381.12	473.84	499.14
Non-Current tax assets (net)	497.18	489.54	519.42	573.62
Other non-current assets	1.04	8.93	120.78	66.38
Total Non-current assets	**1,874.79**	**1,879.31**	**3,692.90**	**3,939.46**
Current assets				
Inventories	66.30	50.14	63.26	50.38
Contract Assets	320.47	331.73	560.92	715.23
Financial assets				
(i) Investments	15.34	40.34	-	-
(ii) Trade receivables	3,341.87	2,689.38	3,474.85	4,224.62
(iii) Cash and cash equivalents	172.99	445.83	572.86	1,284.64
(iv) Bank balances other than (iii) above	73.63	192.27	137.31	241.50
(v) Loans	1.75	4.55	6.27	6.40
(vi) Other financial assets	49.53	58.19	89.35	86.03
Other current assets	129.63	103.20	147.94	255.96
Total Current assets	**4,171.51**	**3,915.63**	**5,052.76**	**6,864.76**
Total Assets	**6,046.30**	**5,794.94**	**8,745.66**	**10,804.22**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	528.18	528.18	528.18	528.18
Other equity				
Retained earnings	1,235.14	1,683.62	2,227.14	2,440.91
Capital redemption reserve	20.75	20.75	20.75	20.75
General Reserve	17.27	26.60	26.60	26.60
Employee stock option reserve	32.56	34.05	42.17	48.08
Foreign Currency Translation Reserve	-	-	-	(4.82)
Securities premium	559.43	559.43	559.43	559.43
Equity attributable to equity holders of the parent	**2,393.33**	**2,852.63**	**3,404.27**	**3,619.13**
Non-controlling interest	45.44	69.28	53.09	53.10
Total Equity	**2,438.77**	**2,921.91**	**3,457.36**	**3,672.23**
Non-current liabilities				
Financial liabilities				
(i) Borrowings	0.09	-	-	195.28
(ii) Lease Liabilities	39.45	23.19	78.68	75.31
(iii) Other Financial liabilities	136.35	84.48	804.14	506.68
Net Employee defined benefit liabilities	323.48	339.64	488.00	511.84
Deferred Tax Liabilities	31.07	25.56	108.48	96.00
Total Non-current liabilities	**530.44**	**472.87**	**1,479.30**	**1,385.11**

(in ₹ million)

Particulars	As at			
	March 31, 2020	March 31, 2021	March 31, 2022	September 30, 2022
Current Liabilities				
Financial liabilities				
(i) Borrowings	899.52	116.10	586.79	1,502.86
(ii) Lease Liabilities	31.88	21.75	47.69	54.84
(iii) Trade payables				
Total outstanding dues of micro enterprises and small enterprises	76.98	38.88	57.75	101.46
Total outstanding dues of creditors other than micro enterprises and small enterprises	292.33	279.65	399.04	570.26
(iv) Other current financial liabilities	1,104.58	1,174.31	1,780.58	2,549.46
Short Term Provisions	80.73	104.93	99.92	100.01
Net Employee defined benefit liabilities	148.37	173.76	192.45	188.72
Current tax liabilities (net)	11.95	38.37	37.13	37.62
Other current liabilities	430.75	452.41	607.65	641.65
Total Current Liabilities	**3,077.09**	**2,400.16**	**3,809.00**	**5,746.88**
Total Liabilities	**3,607.53**	**2,873.03**	**5,288.30**	**7,131.99**
Total Equity And Liabilities	**6,046.30**	**5,794.94**	**8,745.66**	**10,804.22**

Summary of Profit and Loss Data

(in ₹ million, except earnings per Equity Share)

Particulars	For the Financial Year ended March 31, 2020	For the Financial Year ended March 31, 2021	For the Financial Year ended March 31, 2022	For the six months period ended September 30, 2022
Income				
Revenue from contracts with customers	13,148.86	12,100.32	14,835.52	9,851.16
Other income	11.86	41.60	83.34	84.92
Finance income	7.09	21.59	60.07	28.49
Total Income	**13,167.81**	**12,163.51**	**14,978.93**	**9,964.57**
Expenses				
Cost of materials consumed	454.22	275.92	387.20	251.77
Purchases of traded goods	19.51	24.55	19.71	12.76
Cost of Services	-	-	954.10	1,313.68
Changes in inventories of Finished goods and traded goods	(29.38)	15.61	(13.44)	12.72
Employee benefits expense	10,542.57	9,816.55	10,681.77	6,448.20
Finance costs	76.01	29.71	50.68	47.59
Depreciation and amortization expense	161.67	149.86	165.34	142.89
Impairment losses on financial instrument and contract assets	66.69	55.47	60.01	28.03
Fair value changes in Liability payable/paid to promoters of acquired subsidiary	29.37	38.75	213.48	274.38
Other expenses	1,480.58	1,212.83	1,750.67	1,122.58
Total Expense	**12,801.24**	**11,619.25**	**14,269.52**	**9,654.60**
Restated Profit before tax	**366.57**	**544.26**	**709.41**	**309.97**
Tax Expense:				
Current tax	67.58	153.43	209.48	143.61
Adjustment of tax relating to earlier periods	0.29	1.39	(12.98)	5.27
Deferred Tax:				
Deferred tax charge / (credit)	(32.08)	(86.17)	(60.78)	(40.84)
Income tax expense	**35.79**	**68.65**	**135.72**	**108.04**
Restated Profit for the year/ period	**330.78**	**475.61**	**573.69**	**201.93**
Other Comprehensive Income:				
Items that will not to be reclassified to profit or loss in subsequent periods:				
Re-measurement gains/(losses) on defined benefit obligations (net)	(12.98)	8.20	(32.68)	15.00
Income tax effect	1.54	(2.16)	5.51	(3.15)
Restated other comprehensive income / (loss) for the year/ period, net of tax	**(11.44)**	**6.04**	**(27.17)**	**11.85**
Restated total comprehensive Income for the year/ period, net of tax attributable to:	**319.34**	**481.65**	**546.52**	**213.78**
Restated Profit for the year/ period				
Attributable to:				
Equity holders of the parent	331.80	450.34	552.91	202.09
Non-controlling interests	(1.02)	25.27	20.78	(0.16)
Restated Other Comprehensive income for the year/ period				
Attributable to:				

(in ₹ million, except earnings per Equity Share)

Particulars	For the Financial Year ended March 31, 2020	For the Financial Year ended March 31, 2021	For the Financial Year ended March 31, 2022	For the six months period ended September 30, 2022
Equity holders of the parent	(13.68)	7.47	(27.16)	11.68
Non-controlling interests	2.24	(1.43)	(0.01)	0.17
Restated total comprehensive income for the year/ period				
Attributable to:				
Equity holders of the parent	318.12	457.81	525.75	213.77
Non-controlling interests	1.22	23.84	20.77	0.01
Restated earnings per equity share				
Basic (Amount in ₹)*	6.28	8.53	10.47	3.83
Diluted (Amount in ₹)*	6.24	8.47	10.40	3.80

*The basic and diluted earnings per share are not annualised for the six months ended September 30, 2022.

Summary of Cash Flow Data

(in ₹ million)

Particulars	For the Financial Year ended March 31, 2020	For the Financial Year ended March 31, 2021	For the Financial Year ended March 31, 2022	For the six months period ended September 30, 2022
Restated profit before tax	366.57	544.26	709.41	309.97
Adjustment to reconcile profit before tax to net cash flows				
Depreciation and amortization expense	161.67	149.86	165.34	142.89
Finance costs	76.01	29.71	50.68	47.59
Finance Income	(7.09)	(21.59)	(60.07)	(28.49)
Bad Debts recovered	-	-	(9.44)	-
Dividend income	(0.06)	-	-	-
Fair value changes in Liability payable/paid to promoters of acquired subsidiary	29.37	38.75	213.48	274.38
Impairment for doubtful trade receivables	60.55	48.43	43.79	3.00
Impairment for doubtful advances	6.14	1.06	11.66	5.28
Impairment for doubtful unbilled revenue	-	5.98	4.56	19.75
Advances written off	25.81	10.90	11.40	5.80
Provision for onerous contract	-	10.13	-	-
Fair value gain on Financial Assets at FVTPL	(3.07)	(5.53)	(10.17)	(0.86)
Provision no longer required written back	(4.56)	(11.50)	(55.84)	(64.21)
Liability payable to promoters of acquired subsidiary no longer required written back	-	(19.74)	-	-
(Profit)/Loss on sale of investments	(0.42)	-	-	-
Loss on sale of Property, plant, and equipment	0.79	0.10	12.23	0.53
Profit on Sale of Property, plant, and equipment	-	(2.19)	(0.40)	(0.29)
Employee stock option expenses	32.56	1.49	8.12	-
Unrealised exchange differences (net)	0.65	0.10	-	-
Operating cash flow before working capital changes	**744.92**	**780.22**	**1,094.75**	**715.34**
Movements in working capital				
(Increase)/decrease in Trade receivables & contract assets	(478.29)	741.17	(721.16)	(961.75)
(Increase)/decrease in other financial assets	(215.96)	(177.36)	(217.84)	(4.77)
(Increase)/decrease in non - financial assets	(59.14)	24.04	164.49	(106.38)
(Increase)/decrease in Loans	(10.73)	(0.78)	7.26	(0.21)
(Increase)/decrease in Inventory	(18.35)	16.16	(13.12)	12.88
Increase/ (decrease) in Provision	161.95	55.63	108.39	11.94
Increase/(decrease) in trade payables	61.17	(39.38)	127.06	279.15
Increase/ (decrease) in financial liabilities	170.01	(1.09)	(105.75)	217.16
Increase/ (decrease) in other liabilities	(57.48)	11.47	80.29	34.01
Cash generated from / (used in) operations	**298.10**	**1,410.08**	**524.37**	**197.37**
Income taxes paid (net of refunds)	(244.89)	(125.13)	(213.68)	(202.60)
Net cash flow from/ (used in) operating activities	**53.21**	**1,284.95**	**310.69**	**(5.23)**
Cash flow from investing activities				
Purchase of property, plant and equipment including capital work in progress, capital creditors and advances paid	(134.49)	(42.73)	(135.04)	(149.98)
(Purchase) /Sale proceeds of Investments	(7.39)	(25.00)	40.34	-
Investments in fixed deposits (having original maturity of more than three months)	(31.40)	(1,020.32)	(1,575.82)	(1,462.71)
Redemption/Maturity of fixed deposits	101.86	897.62	1,635.21	1,263.53
Proceeds from sale of property, plant and	1.75	6.73	-	1.20

(in ₹ million)

Particulars	For the Financial Year ended March 31, 2020	For the Financial Year ended March 31, 2021	For the Financial Year ended March 31, 2022	For the six months period ended September 30, 2022
equipment				
Interest received	10.22	18.22	58.99	28.99
Dividend Received	0.06	-	-	-
Monies paid to promoters of acquired subsidiary	-	-	(12.04)	-
Acquisition of subsidiary (net of cash)	(543.52)	-	(483.19)	-
Net cash flow from/ (used in) investing activities	**(602.91)**	**(165.48)**	**(471.55)**	**(318.97)**
Cash flow from financing activities				
Repayment of long-term borrowings	(1.87)	-	-	(14.22)
Proceeds of long-term borrowings		-		209.50
Proceeds from short-term-borrowings	3,168.38	194.72	8,789.58	5,358.04
Repayment of short-term-borrowings	(2,553.69)	(978.22)	(8,361.32)	(4,441.96)
Payment of principal portion towards lease liabilities	(30.41)	(33.42)	(71.11)	(27.79)
Payment of interest towards lease liabilities	(5.16)	(4.91)	(5.16)	(4.99)
Investment by NCI			1.69	
Buy-back of equity shares relating to non controlling interest portion (including tax)			(13.13)	
Tax on buy-back of equity shares relating to parent			(7.75)	
Interest paid	(14.03)	(24.80)	(44.91)	(42.60)
Net cash flow from/ (used in) in financing activities	**563.22**	**(846.63)**	**287.89**	**1,035.98**
Net increase/(decrease) in cash and cash equivalents	**13.52**	**272.84**	**127.03**	**711.78**
Cash and cash equivalents at the beginning of the year / period	78.57	172.99	445.83	572.86
Additions on acquisition of Subsidiaries	80.90	-	-	-
Cash and cash equivalents at the end of the year /period	172.99	445.83	572.86	1,284.64
Non-Cash investing and financing activities				
Acquisition of Right of use assets	36.23	7.02	119.51	34.84

GENERAL INFORMATION

Our Company was incorporated in Chennai, Tamil Nadu as 'Updater Services Private Limited' pursuant to a certificate of incorporation dated November 13, 2003 issued by the RoC, upon the conversion of 'Updater Services', a partnership firm, into a private limited company, in accordance with the provisions of Part IX of the Companies Act, 1956. Thereafter, our Company was converted from a private limited company to a public limited company, pursuant to a resolution passed in the extraordinary general meeting of our Shareholders held on February 22, 2022, and consequently, the name of our Company was changed to 'Updater Services Limited', and a fresh certificate of incorporation dated March 24, 2022 was issued to our Company by the RoC.

For further details on the changes in the name and Registered Office of our Company, see "*History and Certain Corporate Matters*" on page 233.

For details of our business, see "*Our Business*" on page 198.

Registered and Corporate Office of our Company

The address and certain other details of our Registered and Corporate Office is as follows:

No. 2/302-A, UDS Salai
Off Old Mahabalipuram Road, Thoraipakkam
Chennai, 600 097
Tamil Nadu, India
Telephone: +91 44 24963234 / 0333
Website: www.uds.in

Company Registration Number and Corporate Identity Number

The registration number and corporate identity number of our Company are set forth below***:***

Particulars	Number
Company Registration Number	051955
Corporate Identity Number	U74140TN2003PLC051955

The Registrar of Companies

Our Company is registered with the RoC, which is situated at the following address:

Registrar of Companies, Tamil Nadu at Chennai
Block No.6, B Wing, 2nd Floor
Shastri Bhawan 26, Haddows Road
Chennai 600 034
Tamil Nadu, India
Telephone: +91 44 2827 0071
Email: roc.chennai@mca.gov.in

Board of Directors

The following table sets out the brief details of our Board as on the date of this Draft Red Herring Prospectus:

Name and Designation	DIN	Address
Raghunandana Tangirala *Chairman and Managing Director*	00628914	7, D'Silva Road, Mylapore, Chennai 600 004, Tamil Nadu, India
Amitabh Jaipuria *Additional Director (Executive Director)*	01864871	Raheja Imperia 1, B Wing – 4302/03, Shankar Rao, Naram Path, Lower Parel West, Mumbai 400 013, Maharashtra, India
Pondicherry Chidambaram Balasubramanian *Executive Director (Whole Time Director)*	00584548	New no. 101, Old no. 42, Medavakkam Tank Road, Kilpauk, Chennai 600 010, Tamil Nadu, India

Name and Designation	DIN	Address
Amit Choudhary *Independent Director*	07415690	171/1C, Kalpataru Estate, Jogeshwari Vikhroli Link Road, Near Majas bus depot, Andheri East, Mumbai 400 093, Maharashtra, India
Sunil Rewachand Chandiramani *Independent Director*	00524035	163-A, Sky Scraper Building, 74 Bhulabhai Desai Road, Cumbala Hill, Mumbai 400 026, Maharashtra, India
Sangeeta Sumesh *Independent Director*	07080379	3B, Sujatha Apartments, 103/54, 4th Street Abiramapuram, Chennai 600 018, Tamil Nadu, India

For further details of our Board of Directors, see "*Our Management – Board of Directors*" on page 254.

Company Secretary and Compliance Officer

Ravishankar B is the Company Secretary and Compliance Officer of our Company. His contact details are as follows:

Ravishankar B
No. 2/302-A, UDS Salai
Off Old Mahabalipuram Road, Thoraipakkam
Chennai, 600 097
Tamil Nadu, India
Telephone: +91 44 24963234 / 0333
E-mail: compliance.officer@uds.in

Registrar to the Offer

Link Intime India Private Limited
C-101, 247 Park,
1st Floor, L.B.S. Marg
Vikhroli (West)
Mumbai 400 083
Maharashtra, India
Telephone: + 91 810 811 4949
Email: uds.ipo@linkintime.co.in
Website: www.linkintime.co.in
Investor grievance e-mail: uds.ipo@linkintime.co.in
Contact Person: Shanti Gopalkrishnan
SEBI Registration No: INR000004058

Book Running Lead Managers

IIFL Securities Limited
10th Floor, IIFL Centre
Kamala City, Senapati Bapat Marg,
Lower Parel (West)
Mumbai 400 013
Maharashtra, India
Telephone: +91 22 4646 4728
Email: uds.ipo@iiflcap.com
Investor grievance e-mail: ig.ib@iiflcap.com
Website: www.iiflcap.com
Contact Person: Mukesh Garg / Pawan Jain
SEBI Registration No: INM000010940

Motilal Oswal Investment Advisors Limited*
Motilal Oswal Tower, Rahimtullah, Sayani Road
Opposite Parel ST Depot, Prabhadevi
Mumbai 400 025
Maharashtra, India
Telephone: +91 22 7193 4380

Email: uds.ipo@motilaloswal.com
Website: www.motilaloswalgroup.com
Investor grievance e-mail: moiaplredressal@motilaloswal.com
Contact Person: Ritu Sharma
SEBI Registration No: INM000011005
* *In compliance with the proviso to Regulation 21A(1) and explanation (iii) to Regulation 21A(1) of the SEBI (Merchant Bankers) Regulations, 1992, Motilal Oswal Investment Advisors Limited will be involved only in the marketing of the Offer. Motilal Oswal Investment Advisors Limited has signed the due diligence certificate and has been disclosed as a BRLM to the Offer.*

SBI Capital Markets Limited
202, Maker Tower 'E'
Cuffe Parade
Mumbai 400 005
Maharashtra, India
Telephone: +91 22 4006 9807
Email: uds.ipo@sbicaps.com
Website: www.sbicaps.com
Investor grievance e-mail: investor.relations@sbicaps.com
Contact Person: Janardhan Wagle / Krithika Shetty
SEBI Registration No: INM000003531

Syndicate Members

[●]

Statement of inter-se allocation of responsibilities among the Book Running Lead Managers

The responsibilities and coordination by the Book Running Lead Managers for various activities in the Offer are as follows:

S. No.	Activity	Responsibility	Co-ordination
1.	Capital structuring, due diligence of Company including its operations / management / business plans / legal etc., Drafting and design of Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus. Ensure compliance and completion of prescribed formalities with the Stock Exchanges, SEBI and RoC including finalisation of RHP, Prospectus, Offer Agreement, Underwriting Agreements and RoC filing	IIFL, Motilal Oswal, SBICAPS	IIFL
2.	Drafting and approval of all statutory advertisements	IIFL, Motilal Oswal, SBICAPS	IIFL
3.	Drafting and approval of all publicity material other than statutory advertisements as mentioned in point 2 above, including corporate advertising and brochures and filing of media compliance report.	IIFL, Motilal Oswal, SBICAPS	Motilal Oswal
4.	Appointment of intermediaries - Registrar to the Offer, advertising agency, printer (including coordination of all agreements)	IIFL, Motilal Oswal, SBICAPS	IIFL
5.	Appointment of all other intermediaries, including Sponsor Bank, Monitoring Agency, etc. (including coordination of all agreements)	IIFL, Motilal Oswal, SBICAPS	Motilal Oswal
6.	Preparation of road show presentation and FAQs	IIFL, Motilal Oswal, SBICAPS	Motilal Oswal
7.	International institutional marketing of the Offer, which will cover, inter alia: • Marketing strategy • Finalising the list and division of international investors for one-to-one meetings • Finalising international road show and investor meeting schedules	IIFL, Motilal Oswal, SBICAPS	SBI CAPS
8.	Domestic institutional marketing of the Offer, which	IIFL, Motilal Oswal,	IIFL

S. No.	Activity	Responsibility	Co-ordination
	will cover, inter alia: • Marketing Strategy • Finalising the list and division of domestic investors for one-to-one meetings • Finalising domestic road show and investor meeting schedules	SBICAPS	
9.	Retail marketing and non-institutional marketing of the Offer, which will cover, inter-alia: • Finalising media, marketing, public relations strategy and publicity budget, frequently asked questions at retail road shows • Finalising brokerage, collection centres • Finalising centres for holding conferences for brokers etc. • Follow-up on distribution of publicity and Offer material including form, RHP/ Prospectus and deciding on the quantum of the Offer material	IIFL, Motilal Oswal, SBICAPS	Motilal Oswal
10.	Coordination with Stock Exchanges for Anchor coordination, Anchor CAN and intimation of anchor allocation, book building software, bidding terminals and mock trading (including Sponsor Bank mock testing) and deposit of 1% security deposit with the designated stock exchange	IIFL, Motilal Oswal, SBICAPS	SBI CAPS
11.	Managing the book and finalization of pricing in consultation with Company and Selling Shareholders	IIFL, Motilal Oswal, SBICAPS	SBI CAPS
12.	Post-Offer activities – management of escrow accounts, finalisation of the basis of allotment based on technical rejections, post Offer stationery, essential follow-up steps including follow-up with bankers to the Offer and Self Certified Syndicate Banks and coordination with various agencies connected with the post-offer activity such as registrar to the offer, bankers to the offer, Self-Certified Syndicate Banks etc. listing of instruments, demat credit and refunds/ unblocking of monies, announcement of allocation and dispatch of refunds to Bidders, etc., payment of the applicable STT on behalf of Selling Shareholders, coordination for investor complaints related to the Offer, including responsibility for underwriting arrangements, submission of final post issue report and coordination with SEBI and Stock Exchanges for refund of 1% security deposit.	IIFL, Motilal Oswal, SBICAPS	SBI CAPS

Note: *In compliance with the proviso to Regulation 21A(1) and explanation (iii) to Regulation 21A(1) of the SEBI (Merchant Bankers) Regulations, 1992, Motilal Oswal Investment Advisors Limited will be involved only in the marketing of the Offer. Motilal Oswal Investment Advisors Limited has signed the due diligence certificate and has been disclosed as a BRLM to the Offer.*

Legal Counsel to our Company

Khaitan & Co
Max Towers
7th & 8th Floors
Sector 16B Noida
Gautam Buddh Nagar 201 301
Uttar Pradesh, India
Telephone: +91 120 479 1000

Legal Counsel to the Book Running Lead Manager

IndusLaw
#1502B, 15th Floor

Tower – 1C, “One World Centre”
Senapati Bapat Marg
Lower Parel, Mumbai 400 013
Maharashtra, India
Telephone: +91 22 4920 7200

Indian Legal Counsel to the Selling Shareholders

Wadia Ghandy & Co. (Ahmedabad)
1st Floor, Chandan House
Near Mayor’s Bungalow, Law Garden
Ahmedabad 380 006
Gujarat, India
Telephone: +91 79 26564800

Foreign Legal Counsel to India Business Excellence Fund- IIA

C&A Law
Suite 1005, Level 1, Alexander House
35 cybercity, Ebene
Republic of Mauritius
Telephone: + 230 466 0500

Statutory Auditors to our Company
S. R. Batliboi & Associates LLP
6th Floor, “A” Block Tidel Park
No. 4 Rajiv Gandhi Salai, Taramani
Chennai - 600 113
Tamil Nadu, India
E-mail: srba@srb.in
Telephone: +91 44 611 7900
Firm registration number: 101049W/E30004
Peer review number: 013325

There has been no change in our statutory auditors in the three years preceding the date of this Draft Red Herring Prospectus.

Bankers to our Company

HDFC Bank Limited
No. 115, Dr. Radhakrishnan Salai
Mylapore, Chennai – 600 004
Tamil Nadu, India
Telephone: +91 9841933738
Email: pruthvish.mshelat@hdfcbank.com
Website: hdfcbank.com
Contact Person: Mr. Pruthvish Shelat

Banker(s) to the Offer

Escrow Collection Bank(s)

[●]

Public Offer Account Bank(s)

[●]

Refund Bank(s)

[●]

Sponsor Bank

[●]

Designated Intermediaries

Self-Certified Syndicate Banks

The list of SCSBs notified by SEBI for the ASBA process is available on the SEBI website at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes, or at such other website as may be prescribed by SEBI from time to time.

A list of the Designated SCSB Branches with which an ASBA Bidder (other than a UPI Bidder), not Bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP may submit the ASBA Forms, is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34, or at such other websites as may be prescribed by SEBI from time to time.

Self-Certified Syndicate Banks eligible as Issuer Banks and mobile applications enabled for UPI Mechanism

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, UPI Bidders using the UPI Mechanism may only apply through the SCSBs and mobile applications using the UPI handles specified on the website of the SEBI. The list of SCSBs through which Bids can be submitted by UPI Bidders using the UPI Mechanism, including details such as the eligible mobile applications and UPI handle which can be used for such Bids, is available on the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43, respectively, as may be updated from time to time or at such other website as may be prescribed by SEBI from time to time.

Syndicate SCSB Branches

In relation to Bids (other than Bids by Anchor Investors and RIBs) submitted under the ASBA process to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35, which may be updated from time to time or any such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 or any such other website as may be prescribed by SEBI from time to time.

Registered Brokers

Bidders can submit ASBA Forms in the Offer using the stockbroker network of the stock exchange, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers eligible to accept ASBA Forms from Bidders (other than UPI Bidders), including details such as postal address, telephone number and e-mail address, is provided on the websites of the BSE and the NSE at http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx? and https://www.nseindia.com/products/content/equities/ipos/ipo_mem_terminal.htm, respectively, as updated from time to time.

Registrar and Share Transfer Agents

The list of the RTAs eligible to accept ASBA Forms from Bidders (other than UPI Bidders) at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of Stock Exchanges at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx? and http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively, as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms from Bidders (other than UPI Bidders) at the Designated CDP Locations, including details such as name and contact details, is provided on the websites of BSE at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx? and on the website of NSE at http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, as updated from time to time.

Credit Rating

As this is an Offer consisting only of Equity Shares, there is no requirement to obtain credit rating for the Offer.

Debenture Trustee

As this is an Offer comprising only Equity Shares, the appointment of a debenture trustee is not required.

Appraising Entity

None of the objects for which the Net Proceeds will be utilized have appraised by any agency and therefore, no appraising entity has been appointed in relation to the Offer.

Monitoring Agency

Our Company shall, in compliance with Regulation 41 of the SEBI ICDR Regulations, appoint a monitoring agency for monitoring the utilization of the Net Proceeds from the Fresh Issue. For details in relation to the proposed utilisation of the Net Proceeds from the Fresh Issue, please see "*Objects of the Offer*" on page 113.

Grading of the Offer

No credit agency registered with SEBI has been appointed for obtaining grading for the Offer.

Green Shoe Option

No green shoe option is contemplated under the Offer.

Experts

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent dated March 29, 2023 from S. R. Batliboi & Associates LLP, to include their name as required under section 26(1) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report, dated March 25, 2023 on our Restated Consolidated Financial Information; and (ii) report dated March 29, 2023 on the Statement of Special Tax Benefits in this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

Our Company has also received written consent dated March 29, 2023 from Lodha & Co, Chartered Accountants, holding a valid peer review certificate from ICAI, to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus as an "expert" as defined under Section 2(38) of the Companies Act, 2013, in respect of various certifications issued by them in their capacity as independent chartered accountant to our Company.

Such consents have not been withdrawn as on the date of this DRHP.

Underwriting Agreement

After the determination of the Offer Price and allocation of Equity Shares but prior to the filing of the Prospectus with the RoC, our Company and the Selling Shareholders will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be issued and offered through the Offer. The extent of underwriting obligations and the Bids to be underwritten by each BRLM shall be as per the Underwriting Agreement. Pursuant to the terms of the Underwriting Agreement, the obligations of each of the Underwriters will be several and will be subject to certain conditions to closing, as specified therein.

The Underwriting Agreement is dated [●]. The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

This portion has been intentionally left blank and will be filled in before filing of the Prospectus with the RoC.

Name, address, telephone and e-mail of the Underwriters	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten (in ₹ million)
[●]	[●]	[●]
[●]	[●]	[●]

The abovementioned underwriting commitment is indicative and will be finalized after determination of the Offer Price and Basis of Allotment and will be subject to the provisions of the SEBI ICDR Regulations.

In the opinion of our Board, the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with the SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange(s). Our Board, at its meeting held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitments set forth in the table above. Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to Equity Shares allocated to investors procured by them in accordance with the Underwriting Agreement.

The Underwriting Agreement has not been executed as on the date of this Draft Red Herring Prospectus and will be executed after determination of the Offer Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC.

Filing

A copy of this Draft Red Herring Prospectus has been filed electronically on the SEBI Intermediary Portal at https://sipotal.sebi.gov.in, in accordance with SEBI circular bearing reference SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018 and at cfddil@sebi.gov.in, in accordance with the instructions issued by the SEBI on March 27, 2020, in relation to "*Easing of Operational Procedure – Division of Issues and Listing – CFD*".

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed, will be submitted with the RoC in accordance with Section 32 of the Companies Act, 2013, and a copy of the Prospectus required to be filed under Section 26 of the Companies Act, 2013 will be filed with the RoC at its office, and through the electronic portal at http://www.mca.gov.in/mcafoportal/loginvalidateuser.do.

Book Building Process

Book building, in the context of the Offer, refers to the process of collection of Bids from investors on the basis of the Red Herring Prospectus and the Bid cum Application Forms and the Revision Forms within the Price Band. The Price Band and minimum Bid lot will be decided by our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers, and advertised in [●] editions of [●], a widely circulated English national daily newspaper, [●] editions of [●], a widely circulated Hindi national daily newspaper and [●] editions of [●], a widely circulated Tamil newspaper (Tamil being the regional language of Tamil Nadu, where our Registered Office is located), each with wide circulation, at least two Working Days prior to the Bid / Offer Opening Date and shall be made available to the Stock Exchanges for the purposes of uploading on their respective websites. Pursuant to the Book Building Process, the Offer Price shall be determined by our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers, after the Bid / Offer Closing Date. For details, see "*Offer Procedure*" on page 587.

All Bidders, other than Anchor Investors, shall only participate in this Offer through the ASBA process by providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs. UPI Bidders shall participate through the ASBA process, either by (i) providing the

details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs; or (ii) using the UPI Mechanism. Non-Institutional Bidders with an application size of up to ₹ 500,000 shall use the UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not permitted to withdraw or lower the size of their Bid(s) (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid / Offer Period and withdraw their Bids until the Bid / Offer Closing Date. Further, Anchor Investors in the Anchor Investor Portion cannot withdraw their Bids after the Anchor Investor Bidding Date. Allocation to QIBs (other than Anchor Investors) will be on a proportionate basis while allocation to Anchor Investors will be on a discretionary basis. Additionally, allotment to each Non-Institutional Bidder shall not be less than the minimum NIB application size, subject to the availability of Equity Shares in the Non – Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis. For an illustration of the Book Building Process and further details, see "*Terms of the Offer*" and "*Offer Procedure*" on pages 578 and 587, respectively.

The Book Building Process under the SEBI ICDR Regulations and the Bidding Process are subject to change from time to time and the investors are advised to make their own judgment about investment through this process prior to submitting a Bid in the Offer.

Bidders should note that the Offer is also subject to obtaining (i) final approval of the RoC after the Prospectus is filed with the RoC; and (ii) final listing and trading approvals from the Stock Exchanges, which our Company shall apply for after Allotment.

Each Bidder, by submitting a Bid in the Offer, will be deemed to have acknowledged the above restrictions and the terms of the Offer

For further details on the method and procedure for Bidding, see "*Offer Procedure*" beginning on page 587.

CAPITAL STRUCTURE

The share capital of our Company, as on the date of this Draft Red Herring Prospectus, is set forth below:

(In ₹ except share data)

	Particulars	Aggregate value at face value	Aggregate value at Offer Price*
A	**AUTHORIZED SHARE CAPITAL**		
	75,000,000 Equity Shares of face value of ₹ 10 each	750,000,000	-
B	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE OFFER**		
	52,952,467 Equity Shares of face value ₹ 10 each	529,524,670	-
C	**PRESENT OFFER IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS**		
	Offer of up to [●] Equity Shares (1)(2)	[●]	[●]
	which includes:		
	Fresh Issue of up to [●] Equity Shares aggregating up to ₹ 4,000.00 million ^(1)		[●]
	Offer for Sale of up to 13,300,000 Equity Shares (2)	[●]	[●]
D	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE ISSUE**		
	[●] Equity Shares of face value of ₹ 10 each*	[●]	[●]
E	**SECURITIES PREMIUM ACCOUNT**		
	Before the Offer	601,949,032	
	After the Offer	[●]	

** To be updated upon finalization of the Offer Price and subject to the Basis of Allotment.*

^ Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement aggregating up to ₹ 800.00 million. If the Pre-IPO Placement is completed, the Fresh Issue size will be reduced to the extent of such Pre-IPO Placement, subject to the Offer complying with Rule 19(2)(b) of the SCRR.

(1) *The Offer has been authorized by a resolution of our Board dated March 21, 2023 and the Fresh Issue has been authorized by a special resolution of our Shareholders dated March 22, 2023.*

(2) *Each of the Selling Shareholders, severally and not jointly, confirm that their respective portion of the Equity Shares being offered are eligible in terms of the SEBI ICDR Regulations. Each of the Selling Shareholders has, severally and not jointly, authorized the sale of its respective portion of the Offered Shares in the Offer for Sale. For details on the authorisation of the Selling Shareholders in relation to the Offered Shares, see "Other Regulatory and Statutory Disclosures – Authority for the Offer" on page 564.*

For details of changes to our Company's authorized share capital in the last 10 years, see "*History and Certain Corporate Matters – Amendments to our Memorandum of Association*" on page 233.

Notes to the Capital Structure

1. **Equity Share capital history of our Company**

(a) The following table sets forth the history of the equity share capital of our Company:

Date of allotment	Details of allottees	Reason / Nature of allotment	No. of equity shares allotted	Face value per equity shares(₹)	Issue price per equity share (₹)	Nature of consideration	Cumulative no. of equity shares
November 13, 2003	Allotment of 50,000 Equity Shares to Raghunandana Tangirala, 49,995 Equity Shares to Shanthi Tangirala, 1 Equity Share to T. Kesavan, 1 Equity Share to D. W. Lyons, 1 Equity Share to Joseph Fulbert Edward, 1 Equity Share to C. Roy Suresh Kumar and 1 Equity Share to S. Mariappan pursuant to their subscription to the Memorandum of Association of our Company.	Initial subscription to our Memorandum of Association(1)	100,000	10	NA	Conversion of partnership firm to private limited company	100,000
January 23, 2006	Allotment of 15,873 Equity	Private	15,873	10	6,300.00	Cash	115,873

Date of allotment	Details of allottees	Reason / Nature of allotment	No. of equity shares allotted	Face value per equity shares(₹)	Issue price per equity share (₹)	Nature of consideration	Cumulative no. of equity shares
	Shares to New Vernon Private Equity Limited.	placement					
July 31, 2007	Allotment of 5,050 Equity Shares to New Vernon Private Equity Limited.	Private placement	5,050	10	8,190.00	Cash	120,923
March 31, 2011	Allotment of 2,041,062 Equity Shares to India Advantage Fund-III (through its trustee), 495,854 Equity Shares to India Advantage Fund-IV (through its trustee), 1,545,290 Equity Shares to Dynamic India Fund-IV, 2,916,740 Equity Shares to Raghunandana Tangirala and 2,916,740 Equity Shares to Shanthi Tangirala	Bonus issue in the ratio of 82 Equity Shares for every 1 Equity Share held by the shareholders of our Company.	9,915,686	10	NA	NA	10,036,609
May 20, 2016	Buy-back of 2,075,000 Equity Shares from Tangi Facility Solutions Private Limited through a scheme.	Buy-back	(2,075,000)	10	275.00	Cash	7,961,609
February 10, 2017	Allotment of 262,651 Equity Shares to India Business Excellence Fund – II on a private placement basis.	Private placement	262,651	10	609.20	Cash	8,224,260
February 13, 2017	Allotment of 311,898 Equity Shares to India Business Excellence Fund – IIA on a private placement basis.	Private placement	311,898	10	609.20	Cash	8,536,158
March 10, 2017	Allotment of 246,235 Equity Shares to India Business Excellence Fund – IIA on a private placement basis.	Private placement	246,235	10	609.20	Cash	8,782,393
March 16, 2017	Allotment of 13,285,395 Equity Shares to Raghunandana Tangirala, 13,285,395 Equity Shares to Shanthi Tangirala, 9,256,451 Equity Shares to Tangi Facility Solutions Private Limited, 1,181,930 Equity Shares to India Business Excellence Fund – II and 2,511,601 Equity Shares to India Business Excellence Fund – IIA	Bonus issue in the ratio of 45 Equity Shares for every 10 Equity Shares held by the Shareholders of our Company	39,520,772	10	NA	NA	48,303,165
March 24, 2017	Allotment of 1,444,580 Equity Shares to India Business Excellence Fund – II and 3,069,734 Equity Shares to India Business Excellence Fund – IIA on a private placement basis.	Private placement	4,514,314	10	110.76	Cash	52,817,479
March 21, 2023	Allotment of 54,919 Equity Shares to Pondicherry Chidambaram Balasubramanian, 32,471 Equity Shares to P. Sankararaman, 27,839 Equity Shares to Jayasree Srinivasan, 15,810 Equity Shares to G. Mukund and	Preferential allotment	134,988	10	325.00	Consideration other than cash[2]	52,952,467

Date of allotment	Details of allottees	Reason / Nature of allotment	No. of equity shares allotted	Face value per equity shares(₹)	Issue price per equity share (₹)	Nature of consideration	Cumulative no. of equity shares
	3,949 Equity shares to P. P. Viswanathan on Preferential Allotment basis						

(1) These allotments were made to the partners of the erstwhile partnership firm namely, Updater Services, pursuant to conversion of such firm into a private limited company in accordance with Part IX of the Companies Act, 1956. Consequently, the erstwhile partners of Updater Services became the initial subscribers to the Memorandum of Association of our Company. For details, see "History and Certain Corporate Matters – Conversion from a partnership firm to a private limited company" on page 233.

(2) Our Company entered into an addendum to the investment agreement dated April 25, 2019 on December 5, 2022, with Matrix Business Services India Private Limited and its promoters, namely, Pondicherry Chidambaram Balasubramanian, Gopalan Viswanathan, P. Sankararaman, Jayasree Srinivasan, G. Mukund and P. P. Viswanathan for the purpose of purchasing the remaining shareholding in Matrix Business Services India Private Limited. Pursuant to the completion of the preferential allotment as per the addendum to the investment agreement, Matrix became a wholly-owned subsidiary of our Company.

(b) ***Equity Shares issued for consideration other than cash or out of revaluation reserves***

Our Company has not issued any Equity Shares out of its revaluation reserves. Except as set forth below, our Company has not issued any Equity Shares for consideration other than cash, other than by way of bonus issues:

Date of allotment	Details of allottees	Reason / Nature of allotment	No. of equity shares allotted	Face value per equity share(₹)	Issue price per equity share (₹)	Benefits accrued to our Company
November 13, 2003	Allotment of 50,000 Equity Shares to Raghunandana Tangirala, 49,995 Equity Shares to Shanthi Tangirala, 1 Equity Share to T. Kesavan, 1 Equity Share to D. W. Lyons, 1 Equity Share to Joseph Fulbert Edward, 1 Equity Share to C. Roy Suresh Kumar and 1 Equity Share to S. Mariappan pursuant to their subscription to the Memorandum of Association of our Company.	Initial subscription to our Memorandum of Association(1)	100,000	10	NA	Conversion of partnership firm to private limited company pursuant to which, the assets, properties and liabilities of the erstwhile Updater Services were vested in our Company.
March 21, 2023	Allotment of 54,919 Equity Shares to Pondicherry Chidambaram Balasubramanian, 32,471 Equity Shares to P. Sankararaman, 27,839 Equity Shares to Jayasree Srinivasan, 15,810 Equity Shares to G. Mukund and 3,949 Equity shares to P. P. Viswanathan on Preferential Allotment basis	Consideration other than for cash(2)	134,988	10	325	Company shall acquire 8,888 (2.32% of paid-up capital) equity shares of Matrix Business Services India Private Limited in lieu of this preferential allotment

(1) These allotments were made to the partners of the erstwhile partnership firm namely, Updater Services, pursuant to conversion of such firm into a private limited company in accordance with Part IX of the Companies Act, 1956. Consequently, the erstwhile partners of Updater Services became the initial subscribers to the Memorandum of Association of our Company. For details, see "History and Certain Corporate Matters – Conversion from a partnership firm to a private limited company" on page 233.

(2) Our Company entered into an addendum to the investment agreement dated April 25, 2019 on December 5, 2022, with Matrix Business Services India Private Limited and its promoters, namely, Pondicherry Chidambaram Balasubramanian, Gopalan Viswanathan, P. Sankararaman, Jayasree Srinivasan, G. Mukund and P. P. Viswanathan for the purpose of purchasing the remaining shareholding in Matrix Business Services India Private Limited. Pursuant to the completion of the preferential allotment as per the addendum to the investment agreement, Matrix became a wholly-owned subsidiary of our Company.

(c) ***Equity Shares allotted in terms of any schemes of arrangement***

Except for the buy-back of shares on May 20, 2016, our Company has not allotted any Equity Shares in terms of any scheme approved under Section 391-394 of the Companies Act, 1956 or Section 230-232 of the Companies Act, 2013.

(d) ***Equity Shares allotted at a price lower than the Offer Price in the last year***

The Offer Price shall be determined by our Company and the Selling Shareholders, in consultation with the BRLMs, after the Bid / Offer Closing Date. Other than the preferential allotment of 134,988 Equity Shares made to Pondicherry Chidambaram Balasubramanian, P. Sankararaman, Jayasree Srinivasan, G. Mukund and P. P. Viswanathan, who are not members of our Promoter Group, for the Issue Price of ₹ 325.00 and for the purpose of purchasing the remaining shareholding in Matrix Business Services India Private Limited, our Company has not issued any Equity Shares at a price which may be lower than the Offer Price, during a period of one year preceding the date of this Draft Red Herring Prospectus.

2. As on the date of the Draft Red Herring Prospectus, our Company does not have outstanding preference shares.

3. **Shareholding Pattern of our Company**

The table below presents the shareholding pattern of our Company as on the date of this Draft Red Herring Prospectus:

Category (I)	Category of Shareholder (II)	Number of Shareholders (III)	Number of fully paid up Equity Shares held (IV)	Number of Partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of Equity Shares held (VII) =(IV)+(V)+ (VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				Number of Equity Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted Equity Share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in Equity Shares (XII)		Number of Equity Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
								Number of voting rights			Total as a % of (A+B+ C)			Number (a)	As a % of total Equity Shares held (b)	Number (a)	As a % of total Equity Shares held (b)	
								Class eg: Equity Shares	Class eg: Others	Total								
(A)	Promoter and Promoter Group	3	42,998,847	-	-	42,998,847	81.20	42,998,847	-	42,998,847	81.20	-	-	-	-	-	-	42,998,847
(B)	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)	Non Promoter- Non Public	11	9,953,620	-	-	9,953,620	18.80	9,953,620	-	9,953,620	18.80	-	-	-	-	-	-	9,953,620
(C)(1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)(2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total (A)+(B)+(C)	**14**	**52,952,467**	**-**	**-**	**52,952,467**	**100**	**52,952,467**	**-**	**52,952,467**	**100**	**-**	**-**	**-**	**-**	**-**	**-**	**52,952,467**

4. **Major Shareholders**

The list of our major Shareholders and the number of equity shares held by them is provided below:

a) The details of our Shareholders holding 1% or more of the paid-up equity share capital of our Company as on the date of filing this Draft Red Herring Prospectus is set forth below:

S. No.	Name of the Shareholder	Number of Equity Shares held	% of the share capital	% of the share capital on a fully diluted basis*
1.	Raghunandana Tangirala	15,587,702	29.44%	29.07%
2.	Shanthi Tangirala	16,237,705	30.66%	30.29%
3.	Tangi Facility Solutions Private Limited	11,173,440	21.10%	20.84%
4.	India Business Excellence Fund II	2,889,161	5.46%	5.39%
5.	India Business Excellence Fund II A	6,139,468	11.59%	11.45%
6.	Rammohan Tangirala	790,000	1.49%	1.47%
	Total	**52,817,476**	**99.75%**	**98.51%**

** Our Company's share capital on a fully diluted basis is inclusive of exercise of stock options under the ESOP Schemes that have vested as on the date of this Draft Red Herring Prospectus.*
Note: *Details as on the date of filing of this Draft Red Herring Prospectus.*

b) The details of our Shareholders who held 1% or more of the paid-up equity share capital of our Company ten days prior to the date of this Draft Red Herring Prospectus is set forth below:

S. No.	Name of the Shareholder	Number of Equity Shares held	% of the share capital	% of the share capital on a fully diluted basis*
1.	Raghunandana Tangirala	15,587,702	29.51%	29.15%
2.	Shanthi Tangirala	16,237,705	30.74%	30.36%
3.	Tangi Facility Solutions Private Limited	11,173,440	21.15%	20.89%
4.	India Business Excellence Fund II	2,889,161	5.47%	5.40%
5.	India Business Excellence Fund II A	6,139,468	11.62%	11.48%
6.	Rammohan Tangirala	790,000	1.50%	1.48%
	Total	**52,817,476**	**100.00%**	**98.76%**

** Our Company's share capital on a fully diluted basis is inclusive of exercise of stock options under the ESOP Schemes that have vested as on March 19, being the date 10 days prior to the date of this Draft Red Herring Prospectus.*
Note: *Details as on March 19, 2023, being the date ten days prior to the date of this Draft Red Herring Prospectus.*

c) The details of our Shareholders who held 1% or more of the paid-up equity share capital of our Company one year prior to the date of this Draft Red Herring Prospectus is set forth below:

S. No.	Name of the Shareholder	Number of Equity Shares held	% of the share capital	% of the share capital on a fully diluted basis*
1.	Raghunandana Tangirala	16,377,702	31.01%	30.77%
2.	Shanthi Tangirala	16,237,705	30.74%	30.51%
3.	Tangi Facility Solutions Private Limited	11,173,440	21.15%	20.99%
4.	India Business Excellence Fund II	2,889,161	5.47%	5.43%
5.	India Business Excellence Fund II A	6,139,468	11.62%	11.54%
	Total	**52,817,476**	**100.00%**	**99.24%**

** Our Company's share capital on a fully diluted basis is inclusive of exercise of stock options under the ESOP Schemes that have vested as on March 29, 2022, being the date one year prior to the date of this Draft Red Herring Prospectus.*
Note: *Details as on March 29, 2022, being the date one year prior to the date of this Draft Red Herring Prospectus.*

d) The details of our Shareholders who held 1% or more of the paid-up equity share capital of our Company two years prior to the date of this Draft Red Herring Prospectus is set forth below:

S. No.	Name of the Shareholder	Number of Equity Shares held	% of the share capital	% of the share capital on a fully diluted basis*
1.	Raghunandana Tangirala	16,237,705	30.74%	30.51%
2.	Shanthi Tangirala	16,237,705	30.74%	30.51%
3.	Tangi Facility Solutions Private Limited	11,313,440	21.42%	21.26%
4.	India Business Excellence Fund II	2,889,161	5.47%	5.43%
5.	India Business Excellence Fund II A	6,139,468	11.62%	11.54%
	Total	**52,817,479**	**100.00%**	**99.24%**

** Our Company's share capital on a fully diluted basis is inclusive of exercise of stock options under the ESOP Schemes that have vested as on March 29, 2021, being the date two years prior to the date of this Draft Red Herring Prospectus.*
***Note:** Details as on March 29, 2021, 2021, being the date two years prior to the date of this Draft Red Herring Prospectus.*

5. Except for the allotment of Equity Shares pursuant to the (i) Fresh Issue; (ii) the Pre-IPO Placement, and (iii) exercise of employee stock options that may be allotted pursuant to the ESOP Schemes, there will be no further issue of Equity Shares whether by way of a split or consolidation of the denomination of Equity Shares, or by way of further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly, for Equity Shares), whether on a preferential basis, or by way of issue of bonus Equity Shares, or through a rights issue or further public issue of Equity Shares, or otherwise, until the Equity Shares have been listed on the Stock Exchanges or all application moneys have been refunded to the Anchor Investors, or the application moneys are unblocked in the ASBA Accounts on account of non-listing, under-subscription etc., as the case may be. Further, other than as set out hereinabove, our Company presently does not intend or propose to alter its capital structure in such manner until a period of six months from the Bid/Offer Opening Date.

6. As on the date of this Draft Red Herring Prospectus, our Company had a total of fourteen Shareholders.

7. **Details of shareholding of our Promoters and members of the Promoter Group in the Company**

(i) ***Equity shareholding of the Promoters***

As on the date of this Draft Red Herring Prospectus, our Promoters collectively hold 31,825,407 Equity Shares, equivalent to 60.10% of the issued, subscribed and paid-up Equity Share capital of our Company, as set forth in the table below.

S. No.	Name of the Shareholder	Pre-Offer Equity Share Capital		Post-Offer Equity Share Capital*	
		No. of Equity Shares	% of total Shareholding	No. of Equity Shares	% of total Shareholding
1.	Raghunandana Tangirala	15,587,702	29.44	[●]	[●]
2.	Shanthi Tangirala	16,237,705	30.66	[●]	[●]

** Subject to finalisation of Basis of Allotment*

(ii) All Equity Shares held by our Promoters are in dematerialized form as on the date of this Draft Red Herring Prospectus.

(iii) ***Build-up of the Promoters' shareholding in our Company***

The build-up of the Equity Shareholding of our Promoters since the incorporation of our Company is set forth in the table below:

Date of allotment / transfer / transmission	Nature of transaction	No. of equity shares	Face value per equity share (₹)	Issue Price/ Transfer Price per equity share (₹)	Percentage of pre-Offer equity share capital (%)	Percentage of post-Offer equity share capital (%)
(A) Raghunandana Tangirala						
November 13, 2003	Initial subscription to the Memorandum of	50,000	10	-	0.09	[●]

Date of allotment / transfer / transmission	Nature of transaction	No. of equity shares	Face value per equity share (₹)	Issue Price/ Transfer Price per equity share (₹)	Percentage of pre-Offer equity share capital (%)	Percentage of post-Offer equity share capital (%)
	Association of our Company					
January 21, 2006	Transfer to New Vernon Private Equity Limited	(11,905)	10	6,299.87	(0.02)	[●]
September 14, 2007	Transfer to New Vernon Private Equity Limited	(2,525)	10	8,190.00	Negligible	[●]
March 31, 2011	Bonus issue in the ratio of 82 Equity Shares for every 1 Equity Share held by the shareholders of our Company.	2,916,740	10	-	5.51	[●]
March 16, 2017	Bonus issue in the ratio of 45 Equity Shares for every 10 Equity Shares held by the shareholders of our Company	13,285,395	10	-	25.09	[●]
March 31, 2021	Transfer from Tangi Facility Solutions Private Limited	140,000	10	110.00	0.26	[●]
October 8, 2021	Transfer to Balaji Swaminathan	(1)	10	10.00	Negligible	[●]
October 8, 2021	Transfer to C.R. Saravanan	(1)	10	10.00	Negligible	[●]
October 8, 2021	Transfer to PC Balasubramanian	(1)	10	10.00	Negligible	[●]
March 15, 2023	Transfer to Rammohan Tangirala	(790,000)	10	0.00	(1.49)	[●]
Sub-total (A)		**15,587,702**			**29.44**	**[●]**
(B) Shanthi Tangirala						
November 13, 2003	Initial subscription to the Memorandum of Association of our Company	49,995	10	-	0.09	[●]
December 21, 2005	Transfer from T. Kesavan	1	10	10.00	Negligible	[●]
December 21, 2005	Transfer from D. W. Lyons	1	10	10.00	Negligible	[●]
December 21, 2005	Transfer from Joseph Fulbert Edward	1	10	10.00	Negligible	[●]
December 21, 2005	Transfer from C. Roy Suresh Kumar	1	10	10.00	Negligible	[●]
December 21, 2005	Transfer from S. Mariappan	1	10	10.00	Negligible	[●]
January 21, 2006	Transfer to New Vernon Private Equity Limited	(11,905)	10	6,299.87	(0.02)	[●]
September 14, 2007	Transfer to New Vernon Private Equity Limited	(2,525)	10	8,190.00	Negligible	[●]
March 31, 2011	Bonus issue in the ratio of 82 Equity Shares for every 1 Equity Share held by the shareholders of our Company.	2,916,740	10	-	5.52	[●]
March 16, 2017	Bonus issue in the ratio of 45 Equity Shares for every 10 Equity Shares held by the shareholders of our Company	13,285,395	10	-	25.15	[●]
Sub-total (B)		**16,237,705**			**30.66**	**[●]**
Grand Total (A)+(B)		**31,825,407**			**60.10**	**[●]**

(iv) All the Equity Shares held by our Promoters were fully paid-up on the respective dates of allotment or acquisition, as applicable, of such Equity Shares.

(v) As on the date of this Draft Red Herring Prospectus, none of the Equity Shares held by our Promoters are pledged.

(vi) ***Equity Shareholding of the members of the Promoter Group***

As on the date of this Draft Red Herring Prospectus, one of the members of our Promoter Group (other than our Promoters) holds 11,173,440 Equity Shares, equivalent to 21.10% of the issued, subscribed and paid-up equity share capital of our Company, as set forth in the table below:

S. No.	Name of the Shareholder	Pre-Offer Equity Share Capital		Post-Offer Equity Share Capital*	
		No. of Equity Shares	% of total shareholding	No. of Equity Shares	% of total shareholding
1.	Tangi Facility Solutions Private Limited	11,173,440	21.10	[●]	[●]
	Total	**11,173,440**	**21.10**	[●]	[●]

** Subject to finalisation of Basis of Allotment*

(vii) None of the members of the Promoter Group, the Promoters, the Directors of our Company, nor any of their respective relatives have purchased or sold any securities of our Company during the period of six months immediately preceding the date of this Draft Red Herring Prospectus**.**

(viii) There have been no financing arrangements whereby our Promoters, members of the Promoter Group, our Directors, or their relatives have financed the purchase by any other person of securities of our Company during a period of six months immediately preceding the date of this Draft Red Herring Prospectus**.**

8. **Details of lock-in of Equity Shares**

(i) ***Details of Promoter's contribution locked in for 18 months***

Pursuant to Regulations 14 and 16 of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company held by the Promoters shall be locked in for a period of 18 months, or such other period as prescribed under the SEBI ICDR Regulations as minimum promoters' contribution from the date of Allotment ("**Promoters' Contribution**"), and the Promoters' shareholding in excess of 20% of the fully diluted post-Offer Equity Share capital shall be locked in for a period of six months from the date of Allotment.

Details of the Equity Shares to be locked-in for 18 months from the date of Allotment as Promoters' Contribution are set forth in the table below:

This portion has been intentionally left blank and will be filled in before filing of the Prospectus with the RoC.

Name of the Promoter	Date of allotment of the Equity Shares*	Nature of transaction	No. of Equity Shares	Face Value (₹)	Issue/ acquisition price per Equity Share (₹)	No. of Equity Shares locked-in	Percentage of the post-Offer paid-up capital (%)**	Date up to which the Equity Shares are subject to lock-in
[●]	[●]	[●]	[●]	10	[●]	[●]	[●]	[●]
[●]	[●]	[●]	[●]	10	[●]	[●]	[●]	[●]
Total						[●]	[●]	[●]

* *All the Equity Shares were fully paid-up on the respective dates of allotment or acquisition, as the case may be, of such Equity Shares.*

** *Subject to finalisation of Basis of Allotment.*

Our Promoters have given consent, to include such number of Equity Shares held by them as may constitute 20% of the fully diluted post-Offer Equity Share capital of our Company as Promoters' Contribution. Our Promoters have agreed not to dispose, sell, transfer, charge, pledge or otherwise encumber, in any manner, the Promoters' Contribution from the date of filing this Draft Red Herring Prospectus, until the expiry of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted in accordance with the SEBI ICDR Regulations.

Our Company undertakes that the Equity Shares that are being locked-in are not and will not be ineligible for computation of Promoters' Contribution in terms of Regulation 15 of the SEBI ICDR Regulations. In this connection, we confirm the following:

(a) The Equity Shares offered for Promoters' Contribution do not include Equity Shares acquired in the three immediately preceding years (a) for consideration other than cash involving revaluation of assets or capitalisation of intangible assets; or (b) resulting from a bonus issue of Equity Shares out of revaluation reserves or unrealised profits of our Company or from a bonus issuance of equity shares against Equity Shares, which are otherwise ineligible for computation of Promoters' Contribution;

(b) The Promoters' Contribution does not include any Equity Shares acquired during the immediately preceding one year at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;

(c) Our Company has not been formed by the conversion of a partnership firm or a limited liability partnership firm into a company in the preceding one year and hence, no Equity Shares have been issued in the one year immediately preceding the date of this Draft Red Herring Prospectus pursuant to conversion from a partnership firm or a limited liability partnership firm; and

(d) The Equity Shares forming part of the Promoter's Contribution are not subject to any pledge.

(ii) ***Details of Equity Shares locked-in for six months***

In addition to the 20% of the fully diluted post-Offer shareholding of our Company held by the Promoters and locked in for 18 months as specified above and Equity Shares offered by the Selling Shareholders as part of the Offer for Sale, the entire pre-Offer Equity Share capital of our Company will be locked-in for a period of six months from the date of Allotment, including any unsubscribed portion of the Offer for Sale, in accordance with Regulations 16(b) and 17 of the SEBI ICDR Regulations except for (i) the Equity Shares offered pursuant to the Offer for Sale; (ii) Equity Shares or employee stock options that may be allotted pursuant to the ESOP Schemes; and (iii) the Equity Shares held by VCFs or Category I AIF or Category II AIF or FVCI, subject to certain conditions set out in Regulation 17 of the SEBI ICDR Regulations, provided that such Equity Shares will be locked-in for a period of at least six months from the date of purchase by the VCFs or Category I AIF or Category II AIF or FVCI. Accordingly, all Equity Shares held by India Business Excellence Fund – II shall be exempt from the aforementioned lock-in requirement since it is a VCF.

(iii) ***Lock-in of Equity Shares Allotted to Anchor Investors***

50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 90 days from the date of Allotment, while the remaining 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.

(iv) ***Other requirements in respect of lock-in***

(i) As required under Regulation 20 of the SEBI ICDR Regulations, our Company shall ensure that the details of the Equity Shares locked-in are recorded by the relevant Depository.

(ii) Pursuant to Regulation 21 of the SEBI ICDR Regulations, Equity Shares held by our Promoters and locked-in, as mentioned above, may be pledged as collateral security for a loan with a scheduled commercial bank, a public financial institution, Systemically Important Non-Banking Financial Company or a deposit accepting housing finance company, subject to the following:

(a) With respect to the Equity Shares locked-in for six months from the date of Allotment, such pledge of the Equity Shares must be one of the terms of the sanction of the loan.

(b) With respect to the Equity Shares locked-in as Minimum Promoter's Contribution for 18 months from the date of Allotment, the loan must have been granted to our Company for the purpose of financing one or more of the objects of the Offer and pledge of the Equity Shares must be one of the terms of the sanction of the loan, which is not applicable in the context of this Offer.

However, the relevant lock-in period shall continue post the invocation of the pledge referenced above, and the relevant transferee shall not be eligible to transfer to the Equity Shares till the relevant lock-in period has expired in terms of the SEBI ICDR Regulations.

(iii) In terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by our Promoters and locked-in, may be transferred to any member of our Promoter Group or a new promoter, subject to continuation of lock-in applicable with the transferee for the remaining period and compliance with provisions of the Takeover Regulations as applicable, and such transferee shall not be eligible to transfer them till the lock-in period stipulated in SEBI ICDR Regulations has expired.

(iv) Further, in terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by persons other than our Promoters prior to the Offer and locked-in for a period of six months in accordance with Regulation 16 of the SEBI ICDR Regulations, may be transferred to any other person holding Equity Shares which are locked in along with the Equity Shares proposed to be transferred, subject to the continuation of the lock in with the transferee and compliance with the provisions of the Takeover Regulations as applicable, such transferee shall not be eligible to transfer them till the lock-in period stipulated in SEBI ICDR Regulations has expired.

9. Our Company, the Selling Shareholders, the Promoters, the Directors and the BRLMs have not entered into buyback arrangements and / or any other similar arrangements for the purchase of Equity Shares being offered through the Offer.

10. All Equity Shares issued or transferred pursuant to the Offer shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus.

11. Except for the Equity Shares held by the Investor Selling Shareholders, both of which are associates of Motilal Oswal Investment Advisors Limited, none of the Book Running Lead Managers or their associates hold any Equity Shares as on the date of filing of this Draft Red Herring Prospectus. Accordingly, in compliance with proviso to regulation 21A (1) and explanation (iii) to regulation 21A (1) of the SEBI (Merchant Bankers) Regulations, 1992, as amended, Motilal Oswal Investment Advisors Limited would be involved only in the marketing of the Offer. The BRLMs and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.

12. As on the date of this Draft Red Herring Prospectus, except as mentioned below, our Company does not have any active employee stock option plan.

Updater Employee Stock Option Plan 2019 ("ESOP 2019 Scheme")

Our Company adopted the ESOP 2019 Scheme pursuant to resolution passed by our Board and Shareholders, each dated April 17, 2019. The primary objective of the ESOP 2019 Scheme is to reward critical employees of our Company for their association, dedication and contribution to the goals of our Company. As per the terms of the Shareholders' resolution and the Board resolution, both, dated April 17, 2019, our Board is authorised to issue an aggregate of 1,632,640 employee stock options to employees, exercisable into not more than 1,632,640 fully-paid up Equity Shares, with each option conferring a right upon employees to apply for one Equity Share, in accordance with the provisions of the ESOP 2019 Scheme and the terms and conditions as may be fixed or determined by the Board. The ESOP 2019 Scheme is in compliance with SBEB Regulations 2021. As on the date of this Draft Red Herring Prospectus, 1,150,015 options have been granted by our Company, 662,566 options have vested and none of the options have been exercised under the ESOP 2019 Scheme. The details of the ESOP 2019 Scheme are as follows:

Sr. No.	Particulars	Financial Year 2020	Financial Year 2021	Financial Year 2022	From April 1, 2022 to September 30, 2022	From October 1, 2022 to the date of filing this Draft Red Herring Prospectus
1	Cumulative options granted as on beginning of the period#	Nil	1,150,015	918,355	662,566	662,566
2	Number of employees to whom options were granted*	28	25	25	25	25
3	Options outstanding#	1,150,015	918,355	662,566	662,566	662,566
4	The pricing formula	Face value for past service issue and as per the valuation of future issue	Face value for past service issue and as per the valuation of future issue	Face value for past service issue and as per the valuation of future issue	Face value for past service issue and as per the valuation of future issue	Face value for past service issue and as per the valuation of future issue
5	Exercise price of options (₹ per option)	For 406,772 options for past service: ₹ 10 For 743,243 unvested options: ₹ 111	For 406,772 options for past service: ₹ 10 For 743,243 unvested options: ₹ 111	For 406,772 options for past service: ₹ 10 For 743,243 unvested options: ₹ 111	For 406,772 options for past service: ₹ 10 For 743,243 unvested options: ₹ 111	For 406,772 options for past service: ₹ 10 For 743,243 unvested options: ₹ 111
6	Options vested (excluding options that have been exercised)	-	406,772	662,566	662,566	662,566
7	Options exercised	-	-	-	-	-
8	Total number of Equity Shares that would arise as a result of full exercise of options granted	1,150,015	918,355	662,566	662,566	662,566
9	Options forfeited / lapsed / cancelled	Nil	231,660	255,789	Nil	Nil
10	Variation in terms of options	NA	NA	NA	NA	NA
11	Money realised by exercise of options	Nil	Nil	Nil	Nil	Nil
12	Total number of options in force	1,150,015	918,355	662,566	662,566	662,566
13	Employee wise details of options granted to					
	(a) Senior managerial personnel, Directors, key management personnel and senior management	193,050	193,050	96,525	96,525	96,525
	Balaji Swaminathan	77,220	77,220	38,610	38,610	38,610
	C R Saravanan	115,830	115,830	57,915	57,915	57,915
	(b) Any other employee who received a grant in any one year of options amounting to 5% or more of the options granted during the year / period	682,503	450,843	450,843	315,710	315,710
	Samita Rao	1,80,573	1,80,573	1,80,573	1,80,573	1,80,573
	Samir Trivedi	96,525	96,525	96,525	48,263	48,263
	Santhosh Lal	57,915	57,915	57,915	28,958	28,958
	Thimmaiah B A	57,915	57,915	57,915	28,958	28,958
	Gunaseelan N	57,915	57,915	57,915	28,958	28,958
	Naushad Ahmed	96,525	-	-	-	-
	Omprakash B R	77,220	-	-	-	-
	Ashok Kumar N S	57,915	-	-	-	-
	(c) Identified employees who were granted options, during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	Nil	Nil	Nil	Nil	Nil
14	Fully diluted EPS on a pre-Offer basis pursuant to issue of Equity	6.24	8.47	10.40	3.8	NA

Sr. No.	Particulars	Financial Year 2020	Financial Year 2021	Financial Year 2022	From April 1, 2022 to September 30, 2022	From October 1, 2022 to the date of filing this Draft Red Herring Prospectus
	Shares on exercise of options calculated in accordance with the applicable accounting standard 'Earning Per Share' and consideration received against the issuance of Equity Shares					
15	Lock-in	NA	NA	NA	NA	NA
16	Difference between employee compensation cost calculated using the intrinsic value of stock options and the employee compensation cost that shall have been recognised if our Company had used fair value of options and impact of this difference on profits and EPS of the Company	NA	NA	NA	NA	NA
17	Description of the pricing formula, method and significant assumptions used during the year to estimate the fair values of options, including weighted-average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends and the price of the underlying share in market at the time of grant of the option					
	Pricing formula	Face value for past service issue and as per the valuation of future issue	Face value for past service issue and as per the valuation of future issue	Face value for past service issue and as per the valuation of future issue	Face value for past service issue and as per the valuation of future issue	Face value for past service issue and as per the valuation of future issue
	Method used	Black Scholes	Black Scholes	Black Scholes	Black Scholes	Black Scholes
	Risk free interest rate	7.40%	7.40%	7.40%	7.40%	7.40%
	Expected life	1-3 years	1-3 years	1-3 years	1-3 years	1-3 years
	Expected volatility	20.00%	20.00%	20.00%	20.00%	20.00%
	Expected dividends	0.00%	0.00%	0.00%	0.00%	0.00%
	Weighted average share price (₹)	93	93	93	93	93
	Exercise price	For 406,772 options for past service: ₹ 10 For 743,243 unvested options: ₹ 111	For 406,772 options for past service: ₹ 10 For 743,243 unvested options: ₹ 111	For 406,772 options for past service: ₹ 10 For 743,243 unvested options: ₹ 111	For 406,772 options for past service: ₹ 10 For 743,243 unvested options: ₹ 111	For 406,772 options for past service: ₹ 10 For 743,243 unvested options: ₹ 111
18	Impact on profits and EPS of the last three years if the Company had followed the accounting policies specified in Regulation 15 of the ESOP Regulations in respect of options granted in the last three years	NA	NA	NA	NA	NA
19	Intention of the key managerial personnel and whole time directors who are holders of Equity Shares allotted on exercise of options granted, to sell their Equity Shares within three months after the date of listing of Equity Shares pursuant to the Offer	NA	NA	NA	NA	NA
20	Intention to sell Equity Shares arising out of, or allotted under an employee stock option scheme	NA	NA	NA	NA	NA

Sr. No.	Particulars	Financial Year 2020	Financial Year 2021	Financial Year 2022	From April 1, 2022 to September 30, 2022	From October 1, 2022 to the date of filing this Draft Red Herring Prospectus
	within three months after the date of listing of Equity Shares, by Directors, senior management and employees having Equity Shares arising out of an employee stock option scheme, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions) which *inter-alia* shall include name, designation and quantum of the equity shares issued under an employee stock option scheme or employee stock purchase scheme and the quantum they intend to sell within three months					

#Excluding options forfeited/cancelled/lapsed
**Represents number of employees of the Company to whom options were granted till the date of certificate*

Updater Employee Stock Option Plan 2022 ("ESOP 2022 Scheme")

Our Company adopted the ESOP 2022 Scheme pursuant to resolution passed by our Board and Shareholders dated December 2, 2022 and December 3, 2022, respectively. The primary objective of the ESOP 2022 Scheme is to reward critical employees of our Company for their association, dedication and contribution to the goals of our Company. As per the terms of the Shareholders' resolution dated December 3, 2022 and the Board resolution dated December 2, 2022, our Board is authorised to issue an aggregate of 1,850,000 employee stock options to employees, exercisable into not more than one fully-paid up Equity Shares, with each option conferring a right upon employees to apply for one Equity Share, in accordance with the provisions of the ESOP 2022 Scheme and the terms and conditions as may be fixed or determined by the Board. The ESOP 2022 Scheme is in compliance with SBEB Regulations 2021. As on the date of this Draft Red Herring Prospectus, 1,733,000 options have been granted by our Company, none of these options have been vested and exercised under the ESOP 2022 Scheme. The details of the ESOP 2022 Scheme are as follows:

Sr. No.	Particulars	Financial Year 2020	Financial Year 2021	Financial Year 2022	From April 1, 2022 to September 30, 2022	From October 1, 2022 to the date of filing this Draft Red Herring Prospectus
1	Cumulative options granted as on beginning of the period	-	-	-	-	Nil
2	Number of employees to whom options were granted	-	-	-	-	138
3	Options outstanding	-	-	-	-	1,733,000
4	The pricing formula	-	-	-	-	As per the valuation report
5	Exercise price of options (₹ per option)	-	-	-	-	300
6	Options vested (excluding options that have been exercised)	-	-	-	-	Nil
7	Options exercised	-	-	-	-	Nil
8	Total number of Equity Shares that would arise as a result of full exercise of options granted	-	-	-	-	1,733,000
9	Options forfeited / lapsed / cancelled	-	-	-	-	Nil
10	Variation in terms of options	-	-	-	-	NA

Sr. No.	Particulars	Financial Year 2020	Financial Year 2021	Financial Year 2022	From April 1, 2022 to September 30, 2022	From October 1, 2022 to the date of filing this Draft Red Herring Prospectus
11	Money realised by exercise of options	-	-	-	-	Nil
12	Total number of options in force	-	-	-	-	1,733,000
13	Employee wise details of options granted to					
	a) Senior managerial personnel, Directors, key management personnel and senior management	-	-	-	-	313,250
	Snehashish Bhattacharjee	-	-	-	-	70,000
	Balaji Swaminathan	-	-	-	-	50,000
	Pondicherry Chidambaram Balasubramanian	-	-	-	-	100,000
	Saravanan CR	-	-	-	-	55,000
	P. Ravishankar	-	-	-	-	38,250
	b) Any other employee who received a grant in any one year of options amounting to 5% or more of the options granted during the year	-	-	-	-	Nil
	c) Identified employees who were granted options, during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	-	-	-	-	Nil
14	Fully diluted EPS on a pre-Offer basis pursuant to issue of Equity Shares on exercise of options calculated in accordance with the applicable accounting standard 'Earning Per Share' and consideration received against the issuance of Equity Shares	-	-	-	-	NA
15	Lock-in	-	-	-	-	NA
16	Difference between employee compensation cost calculated using the intrinsic value of stock options and the employee compensation cost that shall have been recognised if our Company had used fair value of options and impact of this difference on profits and EPS of the Company	-	-	-	-	NA
17	Description of the pricing formula, method and significant assumptions used during the year to estimate the fair values of options, including weighted-average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends and the price of the underlying share in market at the time of grant of the option					
	Pricing formula	-	-	-	-	As per the valuation report
	Method used	-	-	-	-	Black Scholes
	Risk free interest rate	-	-	-	-	7.43%

Sr. No.	Particulars	Financial Year 2020	Financial Year 2021	Financial Year 2022	From April 1, 2022 to September 30, 2022	From October 1, 2022 to the date of filing this Draft Red Herring Prospectus
	Expected life	-	-	-	-	NA
	Expected volatility	-	-	-	-	41.50%
	Expected dividends	-	-	-	-	Nil
	Weighted average share price (₹)	-	-	-	-	293.45
	Exercise price (₹)	-	-	-	-	300
18	Impact on profits and EPS of the last three years if the Company had followed the accounting policies specified in Regulation 15 of the ESOP Regulations in respect of options granted in the last three years	-	-	-	-	NA
19	Intention of the key managerial personnel and whole time directors who are holders of Equity Shares allotted on exercise of options granted, to sell their Equity Shares within three months after the date of listing of Equity Shares pursuant to the Offer	-	-	-	-	NA
20	Intention to sell Equity Shares arising out of, or allotted under an employee stock option scheme within three months after the date of listing of Equity Shares, by Directors, senior management and employees having Equity Shares arising out of an employee stock option scheme, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions) which *inter-alia* shall include name, designation and quantum of the equity shares issued under an employee stock option scheme or employee stock purchase scheme and the quantum they intend to sell within three months	-	-	-	-	NA

Updater Employee Stock Option Plan 2022 second ("ESOP 2022 Scheme Second")

Our Company adopted the ESOP 2022 Scheme Second pursuant to resolution passed by our Board and our Shareholders dated March 4, 2023 and March 6, 2023, respectively. The primary objective of the ESOP 2022 Scheme Second is to reward critical employees of our Company for their association, dedication and contribution to the goals of our Company. As per the terms of the Shareholders' resolution dated March 6, 2023 and the Board resolution dated March 4, 2023, our Board is authorised to issue an aggregate of 100,000 employee stock options to employees, exercisable into not more than one fully-paid up Equity Shares, with each option conferring a right upon employees to apply for one Equity Share, in accordance with the provisions of the ESOP 2022 Scheme Second and the terms and conditions as may be fixed or determined by the Board. The ESOP 2022 Scheme Second is in compliance with SBEB Regulations 2021. As on the date of this Draft Red Herring Prospectus, 100,000 options have been granted by our Company, none of these options have been vested and exercised under the ESOP 2022 Scheme Second. The details of the ESOP 2022 Scheme Second are as follows:

Sr. No.	Particulars	Financial Year 2020	Financial Year 2021	Financial Year 2022	From April 1, 2022 to September 30, 2022	From October 1, 2022 to the date of filing this Draft Red Herring Prospectus
1	Cumulative options granted as on beginning of the period	-	-	-	-	Nil
2	Number of employees to whom options were granted	-	-	-	-	1
3	Options outstanding	-	-	-	-	100,000
4	The pricing formula	-	-	-	-	As per the valuation report
5	Exercise price of options (₹ per option)	-	-	-	-	300
6	Options vested (excluding options that have been exercised)	-	-	-	-	Nil
7	Options exercised	-	-	-	-	Nil
8	Total number of Equity Shares that would arise as a result of full exercise of options granted	-	-	-	-	100,000
9	Options forfeited / lapsed / cancelled	-	-	-	-	Nil
10	Variation in terms of options	-	-	-	-	None
11	Money realised by exercise of options	-	-	-	-	Nil
12	Total number of options in force	-	-	-	-	100,000
13	Employee wise details of options granted to					
	a) Senior managerial personnel, Directors, key management personnel and senior management	-	-	-	-	100,000
	Amitabh Jaipuria	-	-	-	-	100,000
	b) Any other employee who received a grant in any one year of options amounting to 5% or more of the options granted during the year	-	-	-	-	Nil
	c) Identified employees who were granted options, during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	-	-	-	-	Nil
14	Fully diluted EPS on a pre-Offer basis pursuant to issue of Equity Shares on exercise of options calculated in accordance with the applicable accounting standard 'Earning Per Share' and consideration received against the issuance of Equity Shares	-	-	-	-	NA
15	Lock-in	-	-	-	-	NA
16	Difference between employee compensation cost calculated using the intrinsic value of stock options and the employee compensation cost that shall have been recognised if our Company had used fair value of options and impact of this difference on profits and EPS of the Company	-	-	-	-	NA
17	Description of the pricing formula, method and significant assumptions					

Sr. No.	Particulars	Financial Year 2020	Financial Year 2021	Financial Year 2022	From April 1, 2022 to September 30, 2022	From October 1, 2022 to the date of filing this Draft Red Herring Prospectus
	used during the year to estimate the fair values of options, including weighted-average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends and the price of the underlying share in market at the time of grant of the option					
	Pricing formula	-	-	-	-	As per the valuation report
	Method used	-	-	-	-	Black Scholes
	Risk free interest rate	-	-	-	-	7.43%
	Expected life	-	-	-	-	NA
	Expected volatility	-	-	-	-	41.50%
	Expected dividends	-	-	-	-	Nil
	Weighted average share price (₹)	-	-	-	-	293.45
	Exercise price (₹)	-	-	-	-	300
18	Impact on profits and EPS of the last three years if the Company had followed the accounting policies specified in Regulation 15 of the ESOP Regulations in respect of options granted in the last three years	-	-	-	-	NA
19	Intention of the key managerial personnel and whole time directors who are holders of Equity Shares allotted on exercise of options granted, to sell their Equity Shares within three months after the date of listing of Equity Shares pursuant to the Offer	-	-	-	-	NA
20	Intention to sell Equity Shares arising out of, or allotted under an employee stock option scheme within three months after the date of listing of Equity Shares, by Directors, senior management and employees having Equity Shares arising out of an employee stock option scheme, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions) which *inter-alia* shall include name, designation and quantum of the equity shares issued under an employee stock option scheme or employee stock purchase scheme and the quantum they intend to sell within three months	-	-	-	-	NA

13. Except for Raghunandana Tangirala, who holds 15,587,702 Equity Shares, Pondicherry Chidambaram Balasubramanian who holds 54,920 shares, Balaji Swaminathan who holds one Equity Share and C. R. Saravanan who holds one Equity Share, none of the Directors, Key Managerial Personnel or Senior Management of our Company hold any Equity Shares in our Company. For details, see "*Our Management – Shareholding of Directors in our Company*" on page 259.

14. No person connected with the Offer, including, but not limited to, our Company, the Selling Shareholders, the members of the Syndicate, our Promoters, the members of our Promoter Group or our Directors, shall

offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Offer.

15. Except for the Promoter Group Selling Shareholder, who is offering Equity Shares as part of the Offer for Sale, none of our other Promoters or members of our Promoter Group will participate in the Offer.

16. The BRLMs and persons related to the BRLMs or Syndicate Members cannot apply in the Offer under the Anchor Investor Portion, except for Mutual Funds sponsored by entities which are associates of the BRLM, or insurance companies promoted by entities which are associates of the BRLMs or a FPI (other than individuals, corporate bodies and family offices) sponsored by entities which are associates of the BRLMs.

17. Except for the employee stock options allotted or granted pursuant to the ESOP Schemes of our Company, there are no outstanding warrants, options or rights to convert debentures, loans or other convertible instruments into Equity Shares as on the date of this Draft Red Herring Prospectus.

18. All transactions in Equity Shares by our Promoters and members of our Promoter Group between the date of filing of this Draft Red Herring Prospectus and the date of closing of the Offer shall be reported to the Stock Exchanges within 24 hours of such transactions.

19. At any given time, there shall be only one denomination of the Equity Shares of our Company, unless otherwise permitted by law.

SECTION V – PARTICULARS OF THE OFFER

OBJECTS OF THE OFFER

The Offer comprises a Fresh Issue of up to [●] Equity Shares, aggregating up to ₹ 4,000.00 million by our Company and an Offer for Sale of up to 13,300,000 Equity Shares, aggregating up to ₹ [●] million by the Selling Shareholders.

Offer for Sale

The proceeds from the Offer for Sale shall be received by the Selling Shareholders. Our Company will not receive any proceeds from the Offer for Sale and these proceeds will not form part of the Net Proceeds. Each of the Selling Shareholders will be entitled to its respective portion of the proceeds of the Offer for Sale, after deducting its respective portion of the Offer related expenses and relevant taxes thereon. For details of the Selling Shareholders and the number of Equity Shares being offered by them, see "*Other Regulatory and Statutory Disclosures – Authority for the Offer*" on page 564.

Objects of the Fresh Issue

Our Company proposes to utilise the Net Proceeds from the Fresh Issue towards funding the following objects:

1. Repayment and /or prepayment of certain borrowings availed by our Company;
2. Funding our working capital requirements;
3. Pursuing inorganic initiatives; and
4. General corporate purposes.

(Collectively, referred to herein as the "**Objects**")

In addition, our Company expects to receive the benefits of listing of Equity Shares on the Stock Exchanges including enhancing our visibility and our brand image among our existing and potential customers and creating a public market for our Equity Shares in India.

The main objects and objects incidental and ancillary to the main objects, as set out in our Memorandum of Association, enable our Company to undertake our existing business activities and to undertake the activities for which funds are being raised by us through the Fresh Issue and which are proposed to be funded from the Net Proceeds.

Net Proceeds

The details of the Net Proceeds of the Offer are summarised in the table below:

(₹ in million)

Particulars		Estimated Amount
Gross Proceeds from the Fresh Issue		4,000.00(1)
Less:	Estimated Offer related expenses in relation to the Fresh Issue	[●] (2)(3)
Net Proceeds		[●] (3)

(1) Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement of Equity Shares or any other securities for cash consideration aggregating up to ₹ 800.00 million. If the Pre-IPO Placement is completed, the Fresh Issue size will be reduced to the extent of such Pre-IPO Placement, subject to the Offer complying with Rule 19(2)(b) of the SCRR. Upon allotment of Equity Shares issued pursuant to the Pre-IPO Placement and after compliance with requirements prescribed under the Companies Act, our Company shall utilise the proceeds from such Pre-IPO Placement towards the objects to the Offer.

(2) See "- Offer Expenses" on page 124.

(3) To be finalised upon determination of the Offer Price and updated in the Prospectus at the time of filing with the RoC.

Utilization of Net Proceeds and Schedule of Implementation and Deployment

The Net Proceeds are proposed to be deployed in accordance with the schedule set forth below:

(₹ in million)

Particulars	Amount which will be funded from Net Proceeds[1]	Estimated Utilization of Net Proceeds[1][4]	
		Financial Year ended March 31, 2024	Financial Year ended March 31, 2025
Repayment and /or prepayment of certain borrowings availed by our Company	1,330.00	1,330.00	-
Funding our working capital requirements	1,150.00	700.00	450.00
Pursuing inorganic initiatives [2]	800.00	200.00	600.00
General corporate purposes [2][3]	[●]	[●]	[●]
Total Net Proceeds [3]	[●]	[●]	[●]

(1) Includes the proceeds, if any, received pursuant to the Pre-IPO Placement. If the Pre-IPO Placement is completed, the Fresh Issue size will be reduced to the extent of such Pre-IPO Placement, subject to the Offer complying with Rule 19(2)(b) of the SCRR. Details of the Pre-IPO Placement, if undertaken, shall be included in the Red Herring Prospectus. Upon allotment of Equity Shares issued pursuant to the Pre-IPO Placement and after compliance with requirements prescribed under the Companies Act, our Company shall utilise the proceeds from such Pre-IPO Placement towards the objects to the Offer.

(2) The amount utilised for general corporate purposes and pursuing inorganic initiatives shall not exceed 35% of the Gross Proceeds. The amount to be utilised for general corporate purposes alone or for pursuing inorganic initiatives alone shall not exceed 25% of the Gross Proceeds.

(3) To be finalised upon determination of Offer Price and updated in the Prospectus prior to filing with the RoC.

(4) In the event that the estimated utilization of the Net Proceeds in a scheduled fiscal year is not completely met, the same shall be utilized in the next fiscal year, as may be determined by our Board, in accordance with applicable laws.

The fund requirement, the deployment of funds and the intended use of the Net Proceeds indicated above is based on the current management estimates and in the context of our business plan, as on the date of this Draft Red Herring Prospectus, and the prevailing market conditions, and these may be subject to change. The deployment of funds described herein has not been appraised by any bank or financial institution or any other independent agency. See "*Risk Factors – Our management will have broad discretion in how we apply the Net Proceeds, including interim use of the Net Proceeds, and there is no assurance that the objects of the Offer will be achieved within the time frame expected or at all, or that the deployment of the Net Proceeds in the manner intended by us will result in any increase in the value of your investment.*" on page 57. We may have to revise our funding requirements and deployment on account of a variety of factors such as our financial condition, business strategy and external factors such as market conditions, competitive environment and interest or exchange rate fluctuations and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure, implementation schedule and funding requirements, including the expenditure for a particular purpose, at the discretion of our management, subject to compliance with the applicable laws.

Subject to applicable law, if the actual utilisation towards any of the Objects is lower than the proposed deployment, such balance will be used for funding other existing Objects, if necessary, and / or towards general corporate purposes, provided that the (i) total amount to be utilised towards general corporate purposes will not exceed 25% of the Gross Proceeds, in accordance with the SEBI ICDR Regulations; (ii) amount utilized towards our object of pursuing inorganic initiatives shall not exceed 25% of the Gross Proceeds; and (iii) cumulative amount to be utilized towards general corporate purposes and our object of pursuing inorganic initiatives shall not exceed 35% of the Gross Proceeds.

In case of a shortfall in raising requisite capital from the Net Proceeds, business considerations may require us to explore a range of options including utilising our internal accruals and seeking additional debt from existing and future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls. Further, in case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in the Offer. In the event, the Net Proceeds are not utilized (in full or in part) for the objects of the Offer during the period stated above due to factors such as (i) the timing of completion of the Offer; (ii) market conditions outside the control of our Company; and (iii) any other economic, business and commercial considerations, the remaining Net Proceeds shall be utilized in subsequent periods as may be determined by our Company, in accordance with applicable laws.

Details of the Objects of the Fresh Issue

The details in relation to Objects of the Fresh Issue are set forth herein below:

1. Repayment and /or prepayment of certain borrowings, in full or part, availed by our Company

Our Company has entered into various financing arrangements, including borrowings in the form of long-term loans and working capital demand loans, among others. As at December 31, 2022, our total borrowings, on a consolidated basis, amounted to ₹ 1,941.72 million. For further details, see "*Financial Indebtedness*" on page 549.

Our Company proposes to utilize an aggregate amount of ₹ 1,330.00 million from the Net Proceeds towards the, full or partial, repayment and / or prepayment of certain borrowings availed by it. The repayment/ prepayment of certain loans by utilizing the Net Proceeds will help reduce our outstanding indebtedness. Further, we believe that it will reduce our debt-servicing costs and improve our debt-to-equity ratio and enable utilization of internal accruals for further investment in business growth and expansion. Further, our Company shall pay the prepayment charges, if any, along with interest and other related costs out of Net Proceeds. In the event the Net Proceeds are insufficient for payment of pre-payment penalty, interest or other related costs, as applicable, such payment shall be made from the internal accruals of our Company.

Given the nature of these borrowings and the terms of repayment or prepayment, the aggregate outstanding amounts under these borrowings may vary from time to time and, in accordance with the relevant repayment schedule, our Company has repaid, and may in the future, repay or refinance some of the borrowings set out below, prior to Allotment or avail of additional credit facilities. If at the time of Allotment, any of the below mentioned loans are repaid or refinanced or if any additional credit facilities are availed or drawn down or further disbursements under the existing facilities availed by our Company, then our Company may utilise the Net Proceeds for prepayment / repayment of any such refinanced facilities or repayment of any additional facilities / disbursements obtained by our Company, as will be disclosed in the Red Herring Prospectus. In the event our Board deems appropriate, the amount allocated for estimated schedule of deployment of Net Proceeds in a particular financial year may be repaid/ pre-paid by our Company in the subsequent financial year. However, the aggregate amount to be utilised from the Net Proceeds towards repayment/ prepayment of certain borrowings, in part or in full, would not exceed ₹ 1,330.00 million. Accordingly, the table below shall be suitably revised at the time of filing the Red Herring Prospectus to reflect the revised amounts or loans as the case may be which have been availed by our Company.

The selection of borrowings proposed to be prepaid or repaid amongst our borrowing arrangements availed will be based on various factors, including (i) cost of the borrowing, including applicable interest rates, (ii) any conditions attached to the borrowings restricting our ability to prepay/ repay the borrowings and time taken to fulfil, or obtain waivers for fulfilment of such conditions, (iii) receipt of consents for prepayment from the respective lenders, (iv) terms and conditions of such consents and waivers, (v) levy of any prepayment penalties and the quantum thereof, (vi) provisions of any laws, rules and regulations governing such borrowings, and (vii) other commercial considerations including, among others, the amount of the loan outstanding and the remaining tenor of the loan. The amounts proposed to be prepaid and / or repaid against each borrowing facility below is indicative and our Company may utilize the Net Proceeds to prepay and / or repay the facilities disclosed below in accordance with commercial considerations, including amounts outstanding at the time of prepayment and / or repayment.

The following table provides details of borrowings availed by our Company as on September 30, 2022, which we propose to prepay or repay, fully or partially, of any or all of the borrowings, from the Net Proceeds:

(₹ in million, to the extent applicable)

Name of the lender	Nature of borrowing	Sanctioned amount as at September 30, 2022 (₹ in million)	Outstanding amount as at September 30, 2022 (₹ in million)	Interest rate (p.a.)	Tenor/ Repayment date / schedule	Purpose for which disbursed loan amount was utilised	Pre-payment penalty, if any
HDFC Bank Limited	Cash credit and working capital demand loan	600.00	550.00	-*	**For Cash Credit -** repayable on demand **For Working Capital Demand Loan -** payable on demand with a maximum tenor of 180 days	To fund working capital requirements	As mutually agreed
	Term loan	304.00	264.21	7.10%	48 equal monthly instalments	To fund capital expenditure requirements	2.00% Prepayment charges (1.00% in case of Proceeds from IPO) upto 2 years and no prepayment charges after 2 years
Standard Chartered Bank	Short term loans and overdraft facility	300.00	250.00	**For overdraft -** Spread as specified by the bank from time to time over one-month MCLR, applicable on the interest reset date, payable on the daily outstanding balances under the overdraft facility. **For short term loans -** spread as specified by the bank at the time of drawdown over applicable benchmark for a rupee facility.	**For overdraft –** Repayable on demand **Short term loan -** Maximum of 90 days	To fund working capital requirements	2% of the amount prepaid.
ICICI Bank Limited	Cash credit and working capital demand loan	50.00	50.00	**For Cash Credit -** Rate of interest is equal to the sum of I-MCLR-6M and spread	**For Cash Credit -** Repayable on demand **For Working**	To fund working capital requirements	0.5% prepayment penalty on

Name of the lender	Nature of borrowing	Sanctioned amount as at September 30, 2022 (₹ in million)	Outstanding amount as at September 30, 2022 (₹ in million)	Interest rate (p.a.)	Tenor/ Repayment date / schedule	Purpose for which disbursed loan amount was utilised	Pre-payment penalty, if any
				per annum, subject to a minimum of I-MCLR-6M, plus applicable statutory levy, if any, on the principal amount of the loan that remains outstanding each day. **For Working Capital Demand Loan -** Interest is equal to the sum of the Repo Rate and Spread per annum, plus applicable statutory levy (if any)	**Capital Demand Loan -** Repayable on demand with a Maximum tenor of 180 days "		principal amount being prepaid
Kotak Mahindra Bank Limited	Cash credit and working capital demand loan	350.00	72.66	MCLR + spread (or) As mutually agreed at the time of facility release / disbursement	on demand	To fund working capital requirements	2% (in case of foreclosure due to takeover)
DBS Bank India Limited	Overdraft and working capital demand loan	250.00	**For Working Capital Demand Loan –** ₹ 150.00 million **For Overdraft –** ₹ 7.37 Million	MCLR rate + spread (where spread is as mutually agreed)	**For Overdraft –** Repayable on demand **For Working Capital Demand Loan –** Maximum of 120 Days	To fund working capital requirements	Any prepayment will be with prior arrangement with the Bank, after due notice and would entail payment of prepayment penalty, as levied by the bank.
Total		**1,854.00**	**1,344.24**				

**Rate of interest to be decided at the time of availment.*

In accordance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations which requires a certificate from the statutory auditor certifying the utilization of loan for the purposes availed, the Company has obtained the requisite certificate.

For the purposes of the Offer, our Company and its Subsidiaries have intimated and have obtained necessary consent from their respective lenders, as is required under the respective facility documentation for undertaking activities in relation to this Offer including consequent actions, such as change in the capital structure, change in shareholding pattern of our Company, change in management, prepaying or repaying our loans from the Offer proceeds, among others.

For further details in relation to the terms and conditions under the aforesaid loan agreements as well as restrictive covenants in relation thereto, see "*Financial Indebtedness*" and "*Risk Factors – Our financing agreements contain covenants that limit our flexibility in operating our business. Our inability to meet our obligations, including financial and other covenants under our debt financing arrangements could adversely affect our business, cash flows, results of operations and financial condition.*" on pages 549 and 35, respectively.

2. Funding our working capital requirements

Our business is working capital intensive and we fund a majority of our working capital requirements in the ordinary course of business from banks and financial institutions, and through our internal accruals. As on December 31, 2022, our total outstanding indebtedness in respect of our working capital facilities was ₹ 1,344.75 million, on a consolidated basis.

Our Company requires additional working capital for funding its incremental working capital requirements in the Financial Years ended March 31, 2024 and March 31, 2025. The funding of the incremental working capital requirements of our Company will help lead to a consequent increase in our profitability and in achieving the proposed targets as per our business plan. We intend to utilise ₹ 1,150.00 million from the Net Proceeds to fund working capital requirements of our Company in the Financial Years ended March 31, 2024 and March 31, 2025.

(a) Basis of estimation of working capital requirement

The details of our Company's working capital as at March 31, 2020, March 31, 2021 and March 31, 2022 and as at September 30, 2022, derived from our audited standalone financial information, and source of funding are provided in the table below:

(₹ in million)

	Particulars	As at March 31, 2020	As at March 31, 2021	As at March 31, 2022	As at September 30, 2022
I	**Current Assets**				
	Trade Receivables	2,838.42	2,061.25	2,364.63	2,866.53
	Cash and Cash equivalents	70.00	211.62	21.63	770.53
	Other financial and current assets	447.48	642.58	584.08	777.16
	Total Current Assets (A)	**3,355.90**	**2,915.45**	**2,970.34**	**4,414.23**
II	**Current Liabilities**				
	Trade Payables	209.02	210.36	219.60	280.87
	Provisions	60.94	84.13	30.24	60.25
	Other financial and current liabilities (excluding borrowings)	1,438.48	1,549.77	1,812.50	2,041.18
	Total Current Liabilities (B)	**1,708.44**	**1,844.27**	**2,062.34**	**2,382.30**
III	**Net Working Capital Requirement (A-B)**	**1,647.46**	**1,071.18**	**908.00**	**2,031.93**
IV	**Existing Funding Pattern**				
	Borrowings from banks, financial institutions and non-banking financial companies (including bill discounting)	**888.06**	**114.76**	**575.76**	**1,432.37**
	Internal Accruals / Equity	**759.40**	**956.42**	**332.24**	**599.56**
	Total Working Capital	**1,647.46**	**1,071.18**	**908.00**	**2,031.93**

As certified by Lodha & Co, Chartered Accountants, pursuant to their certificate dated March 29, 2023.

(b) Future working capital

We propose to utilize ₹ 700.00 million and ₹ 450.00 million of the Net Proceeds in the Financial Years ended March 31, 2024 and March 31, 2025, respectively, towards our Company's working capital requirements. The balance portion of working capital requirement of our Company shall be met through internal accruals and borrowings.

On the basis of our existing working capital requirements, management estimates and estimated working capital requirements, our Board of Directors pursuant to a resolution dated March 21, 2023, has approved the projected working capital requirements for the Financial Years ended March 31, 2024 and March 31, 2025. See "*Material Contracts and Documents for Inspection – Material Documents*" on page 650.

The proposed funding of such working capital requirements is set forth below:

(₹ in million)

	Particulars	As at March 31, 2023	As at March 31, 2024	As at March 31, 2025
I	**Current Assets**			
	Trade Receivables	3,001.64	3,726.03	4,358.90
	Cash and Cash equivalents	100.00	150.00	170.00
	Other financial and current assets	795.62	1,008.22	1,165.75
	Total Current Assets (A)	**3,897.26**	**4,884.25**	**5,694.66**
II	**Current Liabilities**			
	Trade Payables	253.15	263.01	263.56
	Provisions	54.25	61.37	65.89
	Other financial and current liabilities (excluding borrowings)	2,025.21	2,279.45	2,534.25
	Total Current Liabilities (B)	**2,332.60**	**2,603.84**	**2,863.70**
III	**Net Working Capital Requirement (A-B)**	**1,564.66**	**2,280.41**	**2,830.96**
IV	**Existing Funding Pattern**			
	Borrowings from banks, financial institutions and non-banking financial companies (including bill discounting)	1,500.00	500.00	800.00
	Internal Accruals / Equity	64.66	1,080.41	1,580.96
	Funding from IPO	-	700.00	450.00
	Total Working Capital	**1,564.66**	**2,280.41**	**2,830.96**

As certified by Lodha & Co, Chartered Accountants, pursuant to their certificate dated March 29, 2023.

Pursuant to its certificate dated March 29, 2023, Lodha & Co, Chartered Accountants, has compiled and confirmed the working capital estimates and working capital projections.

Our Statutory Auditors have provided no assurance or services related to any prospective financial information.

(c) Assumptions for working capital requirements

The table below sets forth the details of holding levels (with days rounded to the nearest whole number) for the Financial Years ended March 31, 2020, March 31, 2021 and March 31, 2022 and for the six months period ended September 30, 2022, as well as projections for the Financial Years ended March 31, 2023, March 31, 2024 and March 31, 2025:

Particulars	Number of days						
	For the Financial Year ended March 31, 2020 (Actual)	For the Financial Year ended March 31, 2021 (Actual)	For the Financial Year ended March 31, 2022 (Actual)	For the six months period ended September 30, 2022 (Actual)	For the Financial Year ended March 31, 2023 (Projected)	For the Financial Year ended March 31, 2024 (Projected)	For the Financial Year ended March 31, 2025 (Projected)
Trade receivables days	96	75	81	84	83	85	86
Other financial and current assets days	15	23	20	23	22	23	23
Trade payables days	7	8	7	8	7	6	5
Provisions days	2	3	1	2	2	1	1
Other financial and Current Liabilities days	48	56	62	60	56	52	50

As certified by Lodha & Co, Chartered Accountants, pursuant to their certificate dated March 29, 2023.

(d) Justifications for holding period levels

The table below sets forth the key assumptions for our working capital projections:

S. No.	Particulars	Assumptions
Current Assets		
1.	Trade receivables	Average debtor days in the last three Financial Years and the six months period ended September 30, 2022 is 84 days. It is expected to be in the similar range (83 - 86 days) going ahead.
2.	Other financial and current assets	As of September 30, 2022, other financial and current assets are at 23 days. It is expected to be in similar range (22 - 23 days) going ahead.
Current Liabilities		

S. No.	Particulars	Assumptions
3.	Trade Payables	As of September 30, 2022, trade payables are at eight days of revenue. It is expected to be in the range of 5 - 7 days of revenue going ahead.
4.	Provisions	As of September 30, 2022, provisions are at two days of revenue. It is expected to be in the range of 1 - 2 days of revenue going ahead.
5.	Other financial and Current Liabilities	Average other current liabilities days in the last three Financial Years and the six months period ended September 30, 2022 is 57 days of revenue. It is expected to be in a similar range (50 - 56 days of revenue) going ahead.

As certified by Lodha & Co, Chartered Accountants, pursuant to their certificate dated March 29, 2023.

3. Pursuing inorganic initiatives

We intend to use ₹ 800.00 million of the Net Proceeds to pursue inorganic initiatives focused towards expansion of our operations.

One of our core strategies is to pursue inorganic growth through strategic acquisitions of high margin businesses supplemental to our operations. In line with our past practice, we intend to pursue similar opportunities to undertake acquisitions (i) that allow us to enhance our scale and market position; (ii) that allow us to achieve operating leverage in key markets by unlocking potential efficiency and synergy benefits; (iii) that provide us with a platform to extend our reach to new geographic markets within India and selected overseas markets, particularly for sales enablement, Audit and Assurance as well as employee background check services; and (iv) that add new services complementary to our service offerings or that allow us to enter strategic businesses to capture additional revenue opportunities from our existing customer base to improve our margin profile.

We believe that we have benefited significantly from the acquisitions undertaken by us in the past. Set forth hereunder are brief details of certain of the acquisitions that we have undertaken in the past:

Name of acquired entity	Year of acquisition*	Shareholding by our Company as on date	Benefit of acquisition	Total consideration paid (₹ in million)	
				until September 30, 2022	as on date
Avon Solutions and Logistics Private Limited	Financial Year ended March 31, 2007	76.00%	This acquisition allowed us to provide mailroom management services, logistics consulting, asset movement and niche logistics services customized to the specific requirements of our customers.	79.10	79.10
Stanworth Management Private Limited	Financial Year ended March 31, 2017	100.00%	This acquisition allowed us to provide specialized cleaning services for commercial buildings, complexes, individual residential places, offices, plants and machinery, ship and planes.	26.25	26.25
Fusion Foods and Catering Private Limited	Financial Year ended March 31, 2018	100.00%	This acquisition allowed us to offer catering and food services to corporates, educational institutions and industrial facilities.	142.19	142.19
Global Flight Handling Services Private Limited	Financial Year ended March 31, 2019	83.25%	This acquisition allowed us to offer services such as baggage and cargo loading and unloading, passenger movement, aircraft clean-ups, in-flight meals loading and unloading, aircraft marshalling and ancillary support services to aircrafts (ground power units, ground air conditioning units), among others.	13.18	42.99
Matrix Business Services Private Limited	Financial Year ended March 31, 2020	100.00%	This acquisition added critical services for us such as employee background verification, and audit and assurance services to our portfolio. Within audit and assurance services, the main service lines are product and process audits of warehouses, depots, distributors, distribution centres, retail points, outlets and franchisees; claims processing; merchandising audits; display audits; market hygiene audits, among others.	466.00	553.74
Washroom Hygiene Concept Private Limited	Financial Year ended March 31, 2020	100.00%	Through this acquisition, we provide services related to feminine hygiene care, deodorizing and large fragrance solutions, services related to washroom management such as sanitizer dispensers and refills,	179.99	179.99

Name of acquired entity	Year of acquisition*	Shareholding by our Company as on date	Benefit of acquisition	Total consideration paid (₹ in million)	
				until September 30, 2022	as on date
			surface sanitizing system services, vending and utility machines, hand hygiene system and solutions, amongst others.		
Denave India Private Limited	Financial Year ended March 31, 2022	54.07%	The acquisition added services provided by Denave which include demand generation, lead management, inside sales, data base management services, digital marketing, sales and retail analytics, customer outreach, field force management as well as field marketing services.	629.96	629.96
Athena BPO Private Limited	Financial Year ended March 31, 2023	57.00%	Through this acquisition, we added services including tele sales business process outsourcing.	-	819.40

** Year of acquisition in the table above denotes the year of completion of first tranche of acquisition.*

Each of our acquisitions has been such that they have added a new service line, given us access to a new set of customers, and have added to our margin profile. Cumulative payout by the Company for the respective stake in the acquisition of Matrix and Denave (which is a new acquisition to diversify into Business Services Segment) from April 1, 2019 until September 30, 2022, is 1,183.69 million in the aggregate. Total EBITDA of these acquisitions for the Financial Years ended March 31, 2022 and six months period ended September 30, 2022 is ₹ 471.13 million and ₹ 334.19 million, respectively. This demonstrates our Company's track record to engage in value accretive acquisition at reasonable valuations.

For further details on the acquisitions mentioned above, see "*History and Certain Corporate Matters – Details regarding acquisition or divestment of business or undertakings*" on page 236.

Rationale for acquisitions in future

Some of the selection criteria that we may consider when evaluating strategic acquisitions include:

- expertise in the domain we operate in or wish to expand into;
- strategic fit with our existing business such that the businesses are synergistic with some of our existing businesses/customers or where we can look to leverage some of our existing experience, expertise or relationships, amongst other competencies;
- new customers / users that we can serve with our existing capabilities;
- newer service offerings as well as improvement of our service and customer mix such that our overall margin profile improves;
- enhance our geographical reach;
- strengthen market share in existing markets; and
- identification of a strong management team run by experienced promoters who then continue to work with us to not only build their original businesses but add value to the overall organization;
- acquisition price which we evaluate very carefully as we do not believe in overpaying for any acquisition; and
- asset light acquisitions, where the core asset are the people and their expertise coupled with processes and technology.

Our acquisition strategy is primarily driven by our Board and the typical framework and process followed by us for acquisitions involves identifying the strategic acquisitions based on the rationale set out above, entering into requisite non-disclosure agreements and conducting diligence of the target. Once we have satisfactorily concluded the diligence exercise, we enter into definitive agreements to acquire the target based on the approval of our Board and the shareholders, if required.

We will from time to time undertake potential acquisitions and/or investments in line with our business objectives and overall expansion strategies, with a view to augment our growth by acquiring companies. Accordingly, we believe that acquisitions and investments made by our Company in furtherance of the factors set out above, will fit in our strategic business objectives and growth strategies. We intend to utilize the above-stated portion of the Net Proceeds towards our strategic acquisitions and/or investments which may be undertaken over the course of next two financial years. The proposed inorganic acquisitions shall be undertaken in accordance with the applicable laws, including the Companies Act, FEMA and the regulations notified thereunder, as the case may be.

The amount of Net Proceeds to be used for each individual acquisition and/or investments will be based on our management's decision and may not be the total value or cost of any such investments, but is expected to provide us with sufficient financial leverage to pursue such investments. The actual deployment of funds will also depend on a number of factors, including the timing, nature, size and number of acquisitions undertaken in a particular period, as well as general factors affecting our results of operation, financial condition and access to capital. These factors will also determine the form of investment for these potential acquisitions and/or investments, i.e., whether they will be directly done by our Company or through investments in our Subsidiaries in the form of equity, debt or any other instrument or combination thereof. Our Company may also consider utilizing the Net Proceeds towards further acquiring and increasing its stake in Denave and Athena. Our Company will be able to purchase the second and third tranches of the outstanding equity shares of Denave and Athena subject to satisfaction of certain conditions as mentioned in the respective share purchase agreements entered into by our Company with these entities. Also see "*History and Certain Corporate Matters - Details regarding acquisition or divestment of business or undertakings*" on page 236. In line with the acquisition strategy followed by the Board from time to time as indicated above, our Company may as appropriate and subject to, necessary approvals and in compliance with the contractual arrangements, undertake to increase its shareholding in such Subsidiaries (where permissible) from the Net Proceeds.

Further, in accordance with the SEBI Listing Regulations, our Company will disclose to the Stock Exchanges, details of acquisition and/or investments such as cost and nature of such acquisition and/or investments, as and when acquired. We undertake that the acquisition and/or investments proposed to be undertaken from the Net Proceeds shall not be acquired from the Promoter, Promoter Group entities, Group Companies, affiliates or any other related parties.

4. General Corporate Purposes

The Net Proceeds will first be utilized for the Objects as set out above. Subject to such utilization, our Company intends to deploy any balance left out of the Net Proceeds towards general corporate purposes and the amount to be utilised towards our general corporate purposes alone shall not exceed 25% of the Gross Proceeds, in accordance with Regulation 7(2) of the SEBI ICDR Regulations. Subject to applicable law, if the actual utilisation towards any of the Objects is lower than the proposed deployment, such balance will be used for funding other existing Objects, if necessary, and / or towards general corporate purposes, provided that the (i) total amount to be utilised towards general corporate purposes will not exceed 25% of the Gross Proceeds, in accordance with the SEBI ICDR Regulations; (ii) amount utilized towards our object of pursuing inorganic initiatives shall not exceed 25% of the Gross Proceeds; and (iii) cumulative amount to be utilized towards general corporate purposes and our object of pursuing inorganic initiatives shall not exceed 35% of the Gross Proceeds.

The general corporate purposes for which our Company proposes to utilise Net Proceeds include, but are not restricted to, the following (i) meeting ongoing general corporate contingencies and exigencies which our Company may face in the course of any business; (ii) meeting any expenses incurred in the ordinary course of business by our Company, including rent, administration expenses, insurance related expenses, and the payment of taxes and duties; (iii) strengthening marketing capabilities and brand building exercises; (iv) information technology infrastructure; and (v) any other purpose as permitted by applicable laws and as approved by our Board or a duly appointed committee thereof from time to time, subject to compliance with applicable law, including provisions of the Companies Act.

The quantum of utilization of funds towards any of the above purposes will be determined based on the amount actually available under this head and the business requirements of our Company, from time to time. Our Company's management, in accordance with the policies of the Board, will have flexibility in utilizing surplus amounts, if any. Our management will have the discretion to revise our business plan from time to time and consequently our funding requirement and deployment of funds may change, and our Company may utilise the Net Proceeds towards other expenditure considered expedient and as approved periodically by our Board, subject to compliance with necessary provisions of the Companies Act and other applicable laws. This may also include rescheduling the proposed utilization of Net Proceeds. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. In the event that we are unable to utilize the entire amount that we have currently estimated for use out of Net Proceeds in a Financial Year, we will utilize such unutilized amount in the subsequent Financial Year.

Interim use of Net Proceeds

Pending utilization of the Net Proceeds for the purposes described above, our Company may temporarily deposit the Net Proceeds only in one or more scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as amended, as may be approved by our Board.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

Means of finance

The fund requirements set out for the aforesaid Objects are proposed to be met entirely from the Net Proceeds. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Fresh Issue and internal accruals as required under the SEBI ICDR Regulations.

Bridge financing facilities

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds.

Appraising entity

The Objects for which the Net Proceeds will be utilised have not been appraised by any bank or financial institution or other independent agency.

Offer expenses

The Offer expenses are estimated to be approximately ₹ [●] million. The Offer expenses comprises of, among other things, listing fee, underwriting fee, selling commission and brokerage, fee payable to the Book Running Lead Managers, legal counsel, Registrar to the Offer, Bankers to the Offer, processing fee to the SCSBs for processing ASBA Forms submitted by ASBA Bidders procured by the Syndicate and submitted to SCSBs, brokerage and selling commission payable to Registered Brokers, RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental expenses for listing the Equity Shares on the Stock Exchanges.

Other than (i) listing fees, audit fees of statutory auditors (to the extent not attributable to the Offer), expenses for any corporate advertisements consistent with past practice of our Company (not including expenses relating to marketing and advertisements undertaken in connection with the Offer), and stamp duty payable on issue of Equity Shares pursuant to the Fresh Issue which shall be borne solely by our Company; and (ii) the stamp duty payable on transfer of Offered Shares and the fees and expenses in relation to the legal counsel to the Selling Shareholders which shall be borne solely by the respective Selling Shareholders, the Company and the Selling Shareholders agree to share the costs and expenses (including all applicable taxes) directly attributable to the Offer including advertising and marketing expenses (other than product and corporate advertisements) based on the proportion of Equity Shares sold by the Selling Shareholders in the Offer for Sale, and the Equity Shares issued and allotted by the Company through the Fresh Issue, respectively, as a percentage the total Equity Shares sold in the Offer. The Company agrees to advance the cost and expenses of the Offer and will be reimbursed by the Selling Shareholders, severally and not jointly, for their respective proportion of such costs and expenses only upon the successful consummation of the Offer. The expenses directly attributable to the portion for the Offer for Sale will be deducted from the proceeds of the Offer, as appropriate, and only the remaining amount will be paid to the Selling Shareholders in the Offer for Sale, in accordance with Section 28(3) of the Companies Act, 2013.

The break-up for the estimated Offer expenses are as follows:

Activity	Estimated expenses (1) (₹ in million)	As a % of total estimated Offer related expenses (1)	As a % of Offer size (1)
Fees payable to the Book Running Lead Managers and commissions (including underwriting commission, brokerage and selling commission)	[●]	[●]	[●]
Selling commission payable to SCSBs for Bids directly procured by them and processing fees payable to SCSBs for Bids (other than Bids submitted by UPI Bidders using the UPI Mechanism) procured by the members of the Syndicate	[●]	[●]	[●]

Activity	Estimated expenses (1) (₹ in million)	As a % of total estimated Offer related expenses (1)	As a % of Offer size (1)
(including their Sub-Syndicate Members), the Registered Brokers, RTAs or CDPs and submitted to SCSBs for blocking, Bankers to the Offer, processing fees payable to the Sponsor Banks for Bids made by RIBs (2)(3) (4)(5)(6)			
Printing and stationery expenses	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Listing fees, SEBI fees, BSE and NSE processing fees, book-building software fees, and other regulatory expenses	[●]	[●]	[●]
Fees payable to legal counsel	[●]	[●]	[●]
Miscellaneous, including but not limited to, fees payable to the industry agency, the auditor, the registrar	[●]	[●]	[●]
Total estimated Offer expenses	[●]	[●]	[●]

(1) *The Offer expenses will be incorporated in the Prospectus on finalization of the Offer Price.*

(2) *Selling commission payable to the SCSBs on the portion for RIBs and Non-Institutional Bidders which are directly procured and uploaded by the SCSBs, would be as follows:*

*Portion for RIBs**	*[●]% of the Amount Allotted (plus applicable taxes)*
*Portion for Non-Institutional Bidders**	*[●]% of the Amount Allotted (plus applicable taxes)*

* *Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.*

Selling commission payable to the SCSBs will be determined on the basis of the bidding terminal ID as captured in the bid book of BSE or NSE. No additional processing fees shall be payable to the SCSBs on the applications directly procured by them.

(3) *No processing fees shall be payable by the Selling Shareholders to the SCSBs on the applications directly procured by them.*

Processing / uploading fees payable to the SCSBs on the portion for RIBs and Non-Institutional Bidders which are procured by the members of the Syndicate / sub-Syndicate / Registered Broker / RTAs / CDPs and submitted to SCSB for blocking, would be as follows:

*Portion for RIBs**	*[●]% of the Amount Allotted (plus applicable taxes)*
*Portion for Non-Institutional Bidders**	*[●]% of the Amount Allotted (plus applicable taxes)*

(4) *Selling commission on the portion for RIBs (using the UPI Mechanism), Non-Institutional Bidders which are procured by members of the Syndicate (including their sub-Syndicate Members), RTAs and CDPs or for using 3-in-1 type accounts- linked online trading, demat & bank account provided by some of the brokers which are members of Syndicate (including their Sub-Syndicate Members) would be as follows:*

Portion for RIBs	*[●]% of the Amount Allotted* (plus applicable taxes)*
Portion for Non-Institutional Bidders	*[●]% of the Amount Allotted* (plus applicable taxes)*

* *Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.*

The Selling Commission payable to the Syndicate / Sub-Syndicate Members will be determined on the basis of the application form number / series, provided that the application is also bid by the respective Syndicate / Sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / Sub-Syndicate Member, is bid by an SCSB, the Selling Commission will be payable to the SCSB and not the Syndicate / Sub-Syndicate Member.

Uploading charges payable to members of the Syndicate (including their sub-Syndicate Members), RTAs and CDPs on the applications made by RIBs using 3-in-1 accounts and Non-Institutional Bidders which are procured by them and submitted to SCSB for blocking or using 3-in-1 accounts, would be as follows: ₹[●] plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members), RTAs and CDPs.

SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹500,000, shall use UPI. Individual investors bidding under the Non-Institutional Portion bidding for more than ₹200,000 and up to ₹500,000, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

The selling commission and bidding charges payable to Registered Brokers, the RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the Bid Book of BSE or NSE.

(5) *Selling commission/ uploading charges payable to the Registered Brokers on the portion for RIBs procured through UPI Mechanism and Non-Institutional Bidders which are directly procured by the Registered Broker and submitted to SCSB for processing, would be as follows:*

*Portion for RIBs**	*₹ [●] per valid application (plus applicable taxes)*
*Portion for Non-Institutional Bidders**	*₹ [●] per valid application (plus applicable taxes)*

* *Based on valid applications*

(6) *Uploading charges/ Processing fees for applications made by RIBs using the UPI Mechanism would be as under:*

Payable to members of the Syndicate (including their sub-Syndicate Members)/ RTAs / CDPs	*₹ [●] per valid application (plus applicable taxes)*
Payable to Sponsor Banks	*₹ [●] per valid application (plus applicable taxes)* *The Sponsor Banks shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under applicable SEBI circulars, agreements and other Applicable Laws*

All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and Escrow and Sponsor Banks Agreement.

The total uploading charges / processing fees payable to Members of the Syndicate, RTAs, CDPs, Registered Brokers will be subject to a maximum cap of ₹ [●] (plus applicable taxes). In case the total uploading charges/processing fees payable exceeds ₹ [●], then the amount payable to Members of the Syndicate, RTAs, CDPs, Registered Brokers would be proportionately distributed based on the number of valid applications such that the total uploading charges / processing fees payable does not exceed ₹ [●].

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/51dated April 20, 2022 and SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.

Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories). Accordingly, Syndicate / Sub-Syndicate Members shall not be able to accept Bid Cum Application Form above ₹ 500,000 and the same Bid Cum Application Form needs to be submitted to SCSBs for blocking of fund and uploading on the exchange bidding platform. To identify bids submitted by Syndicate / Sub-Syndicate Members to SCSB, a special Bid Cum Application Form with a heading / watermark, 'Syndicate ASBA' may be used by Syndicate / Sub-Syndicate Member along with SM code and Broker code mentioned on the Bid Cum Application Form to be eligible for brokerage on Allotment. However, such special forms, if used for RIB Bids and NIB Bids up to ₹ 500,000 will not be eligible for brokerage.

Monitoring utilization of funds from the Offer

In terms of Regulation 41 of the SEBI ICDR Regulations, our Company shall appoint a Monitoring Agency for monitoring the utilisation of net proceeds, prior to the filing of the Red Herring Prospectus, as our size of the Offer (excluding the Offer for Sale by the Selling Shareholders) exceeds ₹ 1,000.00 million, in accordance with Regulation 41 of the SEBI ICDR Regulations. Our Audit Committee and the Monitoring Agency will monitor the utilisation of the Net Proceeds (including in relation to the utilisation of the Net Proceeds towards the general corporate purposes) and the Monitoring Agency shall submit the report required under Regulation 41(2) of the SEBI ICDR Regulations, on a quarterly basis, until such time as the Net Proceeds have been utilised in full. Our Company undertakes to place the report(s) of the Monitoring Agency on receipt before the Audit Committee without any delay. Our Company will disclose and continue to disclose the utilisation of the Net Proceeds, including interim use under a separate head in our balance sheet for such periods as required under the SEBI ICDR Regulations, the SEBI Listing Regulations and any other applicable laws or regulations, clearly specifying the purposes for which the Net Proceeds have been utilised if any, or such currently unutilised Net Proceeds. Our Company will also, in its balance sheet for the applicable Financial Years, provide details, if any, in relation to all such Net Proceeds that have not been utilised, if any, of such currently unutilised Net Proceeds.

Our Company will also, in its balance sheet for the applicable fiscal periods, provide details, if any, in relation to all such Net Proceeds that have not been utilised, if any, of such currently unutilised Net Proceeds. Further, our Company, on a quarterly basis, shall include the deployment of Net Proceeds under various heads, as applicable, in the notes to our quarterly results. As our Company intends to utilize a portion of the Net Proceeds towards potential acquisitions and strategic initiatives, details pertaining to which, as and when the investment is undertaken, will be published on the website of our Company and will be disclosed to the Stock Exchanges in accordance with Regulation 30 and Part A of Schedule III, of the SEBI Listing Regulations.

Pursuant to Regulation 18(3) and Regulation 32(3) of the SEBI Listing Regulations, our Company shall on a quarterly basis disclose to the Audit Committee the uses and application of the Net Proceeds. Our Company shall, on an annual basis, prepare a statement of funds utilised for purposes other than those stated in this Draft Red Herring Prospectus and place it before the Audit Committee and make other disclosures as may be required until such time as the Net Proceeds remain unutilised. Such disclosure shall be made only till such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the statutory auditors of our Company. Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement including (i) deviations, if any, in the actual utilization of the proceeds of the Fresh Issue from the Objects as stated above; and (ii) details of category wise variations in the actual utilisation of the proceeds of the Fresh Issue from the objects of the Fresh Issue as stated above. The information will also be published in newspapers simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our Directors' report, after placing the same before the Audit Committee. We will disclose the utilisation of the Net Proceeds under a separate head along with details in our balance sheet(s) until such time as the Net Proceeds remain unutilised clearly specifying the purpose for which such Net Proceeds have been utilised. Our Company will indicate investments, if any, of unutilised Net Proceeds in the balance sheet of our Company for the relevant Financial Years subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Variation in Objects

In accordance with Sections 13(8) and 27 of the Companies Act, 2013 and the applicable rules, and the SEBI ICDR Regulations, our Company shall not vary the Objects without our Company being authorised to do so by the Shareholders by way of a special resolution and our Company shall include the requisite explanation in the Director's report in relation to such variation. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution ("**Notice**") shall specify the prescribed details as required under the Companies Act. The Notice shall simultaneously be published in the newspapers, one in English, one in Hindi and one in Tamil, the vernacular language of the jurisdiction where our Registered and Corporate Office is situated. Our Promoters will be required to provide an exit opportunity to such Shareholders who do not agree to the above stated proposal to vary the objects, subject to the provisions of the Companies Act and in accordance with such terms and conditions, including in respect of pricing of the Equity Shares, in accordance with our Articles of Association, the Companies Act, and the SEBI ICDR Regulations.

Other confirmations

There is no proposal whereby any portion of the Net Proceeds will be paid to our Promoters, Promoter Group, Directors, Key Managerial Personnel, Senior Managerial Personnel or our Group Companies except in the ordinary course of business and in compliance with applicable law.

Further, there are no existing or anticipated transactions in relation to the utilisation of the Net Proceeds entered into or to be entered into by our Company with our Promoters, Promoter Group, Directors, Key Managerial Personnel, Senior Managerial Personnel or our Group Companies.

None of the proceeds to be received from the Offer shall be utilized, either directly or indirectly, for the private security agency service business of the Company.

BASIS FOR THE OFFER PRICE

The Price Band and Offer Price will be determined by our Company and the Selling Shareholders, in consultation with the BRLMs, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 10 each and the Offer Price is [●] times the Floor Price and [●] times the Cap Price of the Price Band. Investors should also see *"Our Business", "Risk Factors", "Management's Discussion and Analysis of Financial Condition and Results of Operations" "Financial Information" and "Summary of Financial Information"* on pages 198, 34, 495, 277 and 78, respectively, to have an informed view before making an investment decision.

Qualitative Factors

- Leading integrated business services platform, operating across diverse segments
- Longstanding relationship with customers across diverse sectors leading to recurring business
- Track record of successful acquisition and integration of high margin business segments
- Pan India presence with large and efficient workforce coupled with strong recruitment capabilities
- Technology at the forefront of our current and future business
- Highly experienced Management team with backing from large PE Investors

Quantitative Factors

Some of the information presented below relating to our Company is derived from the Restated Consolidated Financial Information. For details, see "*Financial Information*" and "*Other Financial Information*" on pages 277 and 493, respectively.

Some of the quantitative factors which may form the basis for computing the Offer Price are as follows:

I. Basic and Diluted Earnings per Share ("EPS")

Period	Restated Basic EPS (₹)	Restated Diluted EPS (₹)	Weight
Financial Year ended March 31, 2020	6.28	6.24	1
Financial Year ended March 31, 2021	8.53	8.47	2
Financial Year ended March 31, 2022	10.47	10.40	3
Weighted Average	**9.13**	**9.06**	
Six-month period ended September 30, 2022*	3.83	3.80	

**Not annualised*

Notes:

- *Restated Basic earnings per share (₹) = Restated consolidated profit for the year / period attributable to equity holders of the parent / Weighted average number of equity shares*
- *Restated Diluted earnings per share (₹) = Restated consolidated profit for the year / period attributable to equity holders of the parent / Weighted average number of equity shares adjusted for effects of dilutions*
- *Basic and diluted earnings/ (loss) per equity share: Basic and diluted earnings/ (loss) per equity share are computed in accordance with Indian Accounting Standard 33 notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended)*
- *Weighted Average Number of Equity Shares is the number of equity shares outstanding at the beginning of the year/period adjusted by the number of equity shares issued during the year multiplied by the time weighting factor*
- *The above statement should be read with significant accounting policies and notes on Restated Consolidated Financial Information as appearing in the Restated Consolidated Financial Information*

II. Price/Earning ("P/E") ratio in relation to Price Band of ₹[●] to ₹[●] per Equity Share:

Year ended	P/E at the Floor Price (no. of times)	P/E at the Cap Price (no. of times)
Based or basic EPS for Financial Year ended March, 31 2022	[●]	[●]
Based or diluted EPS for Financial Year ended March, 31, 2022	[●]	[●]

Industry P/E ratio

Particulars	P/E ratio*
Highest	102.08
Lowest	16.00
Industry Composite	46.58

Notes:
1. *The industry high and low has been considered from the industry peer set provided later in this section. The industry composite has been calculated as the arithmetic average P / E of the industry peer set disclosed in this section.*

III. Return on Net Worth ("RoNW")

Period	RoNW (%)	Weight
Financial Year ended March 31, 2020	13.86	1
Financial Year ended March 31, 2021	15.79	2
Financial Year ended March 31, 2022	16.24	3
Weighted Average	**15.69**	
Six month period September 30, 2022*	5.58	

**Not annualised*

RoNW is calculated as restated profit for the year / period attributable to equity holders of the parent divided by net worth. Net worth (total equity) means the aggregate of paid up equity share capital and other equity attributable to equity shareholders of the parent (excluding non-controlling interest).

IV. Net Asset Value ("NAV") per share

(₹)

NAV	Particulars
As on March 31, 2022	64.45
As on September 30, 2022	68.52
After the completion of the Offer:	
(i) At Floor Price	[●]
(ii) At Cap Price	[●]
Offer Price	[●]

Notes:
- *Offer Price per equity share will be determined on conclusion of the Book Building Process.*
- *Net asset value per equity share represents restated net worth attributable to equity shareholders of the parent (excluding non-controlling interest) at the end of the year / period divided by numbers of equity share outstanding during the respective year / period. Net worth (total equity) means the aggregate of paid up equity share capital and other equity attributable to equity shareholders of the parent (excluding non-controlling interest)*

V. Comparison with listed industry peers

Name of the company	Consolidated/ Standalone	Face value (₹ per share)	Closing price on March 22, 2023 (₹)	Revenue from Operations (in ₹ million)	EPS (₹) Financial Year ended March 31, 2022		NAV (₹ per share)	P/E	RoNW (%)
					Basic	Diluted			
Updater Services Limited*	Consolidated	10	N.A.	14,835.52	10.47	10.40	64.45	N.A.	16.24
PEER GROUP									
Quess Corp Limited	Consolidated	10	350.35	1,36,917.78	16.32	16.18	164.72	21.65	9.90
SIS Limited	Consolidated	5	349.85	1,00,590.76	22.09	21.87	140.87	16.00	15.69
TeamLease Services Limited	Consolidated	10	2,294.70	64,798.23	22.48	22.48	405.46	102.08	5.54

**Financial information for our Company is derived from the Restated Consolidated Financial Information as at and for the Financial Year ended March 31, 2022.*
Source: All the financial information for listed industry peers mentioned above is on a consolidated basis and is sourced from the annual reports / annual results as available of the respective company for the year ended March 31, 2022 submitted to Stock Exchanges.

Notes for listed peers:
1. *Basic EPS and Diluted EPS refer to the Basic EPS and Diluted EPS sourced from the financial statements of the respective company.*
2. *P/E Ratio has been computed based on the closing market price of equity shares on March 22, 2023 on BSE divided by the Diluted EPS provided.*

3. *Return on net worth (“**RoNW**”) is computed as total profit/ (loss) attributable to equity holders of the parent for the year divided by net worth attributable to equity shareholders of the parent (excluding non-controlling interest) as at March 31, 2022.*
4. *Net asset value per share is calculated by dividing net worth (excluding non-controlling interest) by number of equity shares outstanding as at March 31, 2022*

Key Performance Indicators

In evaluating our business, we consider and use certain KPIs, as presented below, as a supplemental measure to review and assess our financial and operating performance. The presentation of these KPIs is not intended to be considered in isolation or as a substitute for the Restated Consolidated Financial Information. We use these KPIs to evaluate our financial and operating performance. Some of these KPIs are not defined under Ind AS and are not presented in accordance with Ind AS. These KPIs have limitations as analytical tools. Further, these KPIs may differ from the similar information used by other companies and hence their comparability may be limited. Therefore, these metrics should not be considered in isolation or construed as an alternative to Ind AS measures of performance or as an indicator of our operating performance, liquidity, profitability or results of operation. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our Company’s management believes that it provides an additional tool for investors to use in evaluating our ongoing operating results and trends and in comparing our financial results with other companies in our industry because it provides consistency and comparability with past financial performance, when taken collectively with financial measures prepared in accordance with Ind AS.

Investors are encouraged to review the Ind AS financial measures and to not rely on any single financial or operational metric to evaluate our business. Also see “*Risk Factors – Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance have been included in this Draft Red Herring Prospectus. These non-GAAP financial measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable.*” On page 63.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated March 25, 2023 and the members of the Audit Committee have confirmed that the verified details of all the KPIs pertaining to the Company that have been disclosed to earlier investors at any point of time during the three years period prior to the date of this resolution have been disclosed in this section. Further, our Company has confirmed that no KPIs have been disclosed to earlier investors since the date of the resolution by our Audit Committee and up to the date of filing of this Draft Red Herring Prospectus. Further, the KPIs herein have been certified by Lodha & Co, Chartered Accountants, by their certificate dated March 29, 2023.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilisation of the proceeds of the Fresh Issue as per the disclosure made in the section “*Objects of the Offer*”, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations.

Set forth below are the KPIs pertaining to our Company that have been disclosed to its investors at any point of time during the three years preceding the date of this Draft Red Herring Prospectus and also have been used historically by our Company to understand and analyse the business performance, which in result, help us in analyzing the growth of various verticals in comparison to our listed peers, and other relevant and material KPIs of the business of the Company that have a bearing for arriving at the Basis for the Offer Price:

Financial KPIs

(₹ million unless specified otherwise)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2022	For the six months ended September 30, 2022*
Revenue from contracts with customers	13,148.86	12,100.32	14,835.52	9,851.16
Total Income (1)	13,160.71	12,141.92	14,918.86	9,936.08
EBITDA (2)	597.16	702.24	865.37	471.96
EBITDA margin (%)(1)(3)	4.54%	5.78%	5.80%	4.75%
Adjusted EBITDA(4)	659.09	722.74	1,086.97	752.25
Adjusted EBITDA Margin (%)(1) (5)	5.01%	5.95%	7.29%	7.57%
EBIT(6)	435.49	552.38	700.03	329.07
Adjusted EBIT (7)	497.42	572.88	921.62	609.36
PAT	330.78	475.61	573.69	201.93

(₹ million unless specified otherwise)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2022	For the six months ended September 30, 2022*
PAT margin (%)(1) (8)	2.51%	3.92%	3.85%	2.03%
ROE (%)(9)	13.86%	15.79%	16.24%	5.58%
ROCE (%)(10)	13.77%	22.59%	20.23%	8.28%
Adjusted RoCE % (11)	15.73%	23.43%	26.63%	15.33%
Net Debt(12)	652.99	(522.00)	(123.38)	172.00
Debt to Equity (13)	0.37	0.04	0.17	0.46
Net Debt to Equity (14)	0.27	(0.18)	(0.04)	0.05

**Not annualized*

Notes for Financial metrics:

(1) Total Income = Total Income - Finance Income
(2) EBITDA = Restated profit for the year/period + tax expense + finance cost + depreciation and amortisation - finance income
(3) EBITDA margin = EBITDA / total income
(4) Adjusted EBITDA = EBITDA + Fair value changes in liability payable/paid to promoters of acquired subsidiary + Employee stock option expense - Liability payable to promoters of acquired subsidiary no longer required written back.
(5) Adjusted EBITDA Margin (%) = Adjusted EBITDA / Total Income
(6) EBIT = EBITDA - Depreciation & amortisation
(7) Adjusted EBIT = Adjusted EBIDTA - Depreciation & amortisation
(8) PAT margin = Restated PAT / Total income
(9) ROE = Restated PAT attributable to equity holders of the parent / Total Equity attributable to equity shareholders of the parent (excluding non-controlling interest) as at the end of the year/period (not annualized for six months period ended September 30, 2022). For SIS Limited, for the six months ended September 30, 2022, ROE = PAT / Total Equity
(10) ROCE = EBIT / Capital employed as at the end of the year/period (not annualized for six months period ended September 30, 2022). Capital Employed is calculated as summation of Total Shareholder's Equity + Long term borrowings + Short term borrowings + lease liabilities - Cash & cash equivalent - Bank balance other than cash and cash equivalents.
(11) Adjusted ROCE % = Adjusted EBIT / Capital Employed as at the end of period (not annualized for six months period ended September 30, 2022). Capital Employed is calculated as summation of Total Shareholder's Equity + Long term borrowings + Short term borrowings + lease liabilities - Cash & Cash Equivalent - Bank Balance other than cash and cash equivalents
(12) Net Debt = Long Term Borrowings + Short Term Borrowings - Cash & Cash Equivalents - Bank balance other than cash and cash equivalents
(13) Debt to Equity = Total Debt/Total Shareholder's Equity, Total Debt = Short term borrowing + Long term borrowings
(14) Net Debt to Equity = Net Debt/Total Shareholder's Equity

Explanation for the KPI metrics

KPI	Explanations
Revenue from operations	Revenue from operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business
Total Income	Total Income includes the total revenue of the business after considering income from all sources and helps our Company to assess the scale of the business
EBITDA	EBITDA provides information regarding the operational efficiency of the business
EBITDA Margin (%)	EBITDA Margin is an indicator of the operational profitability and financial performance of the business
Adjusted EBITDA	Adjusted EBITDA provides information regarding the operational efficiency of our business after adjusting fair value changes in liability payable/paid to promoters of acquired subsidiary and ESOP expenses
Adjusted EBITDA Margin (%)	Adjusted EBITDA Margin is a further indicator of the operational profitability and financial performance of our business after negating the impact of fair value changes in liability payable/paid to promoters of acquired subsidiary and ESOP expenses
EBIT	EBIT provides information regarding the operational efficiency of the business after deducting depreciation and amortization cost
Adjusted EBIT	Adjusted EBITDA provides information regarding the operational efficiency of our business after deducting depreciation and amortization cost business and after negating the impact of fair value changes in liability payable/paid to promoters of acquired subsidiary and ESOP expenses
PAT	PAT refers to profit after tax and provides information regarding the overall profitability of the business
PAT Margin	PAT Margin is an indicator of the overall profitability and financial performance of the business
Return on Equity (RoE) (%)	RoE provides how efficiently our Company generates profits from shareholders' funds
Return on Capital Employed (RoCE) (%)	Return on Capital Employed provides how efficiently our Company generates earnings from the capital employed in the business
Adjusted RoCE %	Adjusted Return on Capital Employed provides how efficiently our Company generates earnings from the capital employed in the business after negating the impact of fair value changes in Liability payable/paid to promoters of acquired subsidiary, ESOP expenses and finance income

KPI	Explanations
Net Debt	This is the absolute measure of the level of leverage in the Company
Debt to equity	This represent our financial leverage and is computed as total borrowings of the Company with total equity
Net Debt to equity	This is the absolute measure of the level of leverage in the Company to total equity

For details of our other operating metrics disclosed elsewhere in this Draft Red Herring Prospectus, see "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 198 and 495, respectively.

Comparison of financial KPIs of our Company and our listed peers

While our listed peers (mentioned below), like us, operate in the same industry and may have similar offerings or end use applications, they derive significant portion of revenue from staffing and / or security services which is not our focus area. Our business may be different in terms of differing business models (for example – focus on Business Support Services which might not be an area of focus for our listed peers), different product verticals serviced or focus areas or different geographical presence.

(*₹ million unless specified otherwise*)

	Updater Services Limited				**Quess Corp Limited**				**SIS Limited**				**TeamLease Services Limited**			
Particulars	**For the year ended March 31, 2020**	**For the year ended March 31, 2021**	**For the year ended March 31, 2022**	**For the six months ended September 30, 2022**	**For the year ended March 31, 2020**	**For the year ended March 31, 2021**	**For the year ended March 31, 2022**	**For the six months ended September 30, 2022**	**For the year ended March 31, 2020**	**For the year ended March 31, 2021**	**For the year ended March 31, 2022**	**For the six months ended September 30, 2022**	**For the year ended March 31, 2020**	**For the year ended March 31, 2021**	**For the year ended March 31, 2022**	**For the six months ended September 30, 2022**
Revenue from operations	13,148.86	12,100.32	14,835.52	9,851.16	109,914.82	108,368.95	136,917.78	82,526.26	84,851.66	91,273.04	100,590.76	54,458.40	52,007.23	48,814.57	64,798.23	38,344.48
Total Income [(1)]	13,160.72	12,141.92	14,918.86	9,936.08	110,076.82	108,417.78	136,968.09	82,623.80	85,227.00	94,852.38	100,835.48	54,523.24	52,190.89	49,006.57	64,935.12	38,527.49
EBITDA [(2)]	597.16	702.24	865.36	471.96	(38.83)	4,842.46	6,340.53	2,978.89	5,535.24	6,030.14	5,255.72	2,174.12	1,113.76	1,136.21	903.90	771.63
EBITDA margin (%)[(3)]	4.54%	5.78%	5.80%	4.75%	-0.04%	4.47%	4.63%	3.61%	6.49%	6.36%	5.21%	3.99%	2.13%	2.32%	1.39%	2.00%
Adjusted EBITDA[(4)]	659.09	722.75	1,086.97	752.25	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Adjusted EBITDA Margin (%)[(5)]	5.01%	5.95%	7.29%	7.57%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
EBIT[(6)]	435.49	552.38	700.02	329.07	(2,524.90)	2,557.18	4,220.06	1,693.02	4,251.83	4,899.84	4,140.21	1,557.20	827.87	799.16	496.03	580.69
Adjusted EBIT [(7)]	497.42	572.89	921.63	609.36	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
PAT	330.77	475.62	573.69	201.93	(4,318.78)	736.89	2,509.77	1,073.21	2,254.53	3,672.10	3,259.27	1,499.77	349.75	784.75	394.55	581.44
PAT margin (%)[(8)]	2.51%	3.92%	3.85%	2.03%	-3.92%	0.68%	1.83%	1.30%	2.65%	3.87%	3.23%	2.75%	0.67%	1.60%	0.61%	1.51%
ROE (%)[(9)]	13.86%	15.79%	16.24%	5.58%	-19.54%	2.47%	9.90%	4.31%	16.24%	19.96%	15.69%	5.87%	6.11%	11.89%	5.54%	7.75%
ROCE (%)[(10)]	13.77%	22.63%	20.23%	8.28%	-8.66%	9.60%	14.20%	5.40%	20.68%	24.16%	14.86%	5.12%	16.68%	20.48%	10.50%	10.11%
Adjusted RoCE % [(11)]	15.73%	23.47%	26.63%	15.33%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Net Debt[(12)]	652.99	(526.04)	(123.34)	172.00	2,389.04	(488.69)	758.13	172.36	5,508.29	841.19	5,899.18	7,420.61	(863.72)	(2,741.91)	(2,435.56)	(2,087.63)
Debt to Equity [(13)]	0.37	0.04	0.17	0.46	0.42	0.21	0.23	0.20	0.84	0.64	0.64	0.68	0.02	0.02	0.07	0.09
Net Debt to Equity [(14)]	0.27	(0.18)	(0.04)	0.05	0.10	(0.02)	0.03	0.01	0.40	0.05	0.28	0.34	(0.15)	(0.42)	(0.35)	(0.28)

Certified by Lodha & Co, Chartered Accountants, by their certificate dated March 29, 2023. This certificate has been designated as a material document for inspection in connection with the Offer. *See "Material Contracts and Documents for Inspection" on page 650.*

Source: All the financial information for listed industry peers mentioned above is on a consolidated basis and is sourced from the annual reports / annual results as available of the respective company for the year ended March 31, 2022 submitted to stock exchanges.

Notes for Financial metrics:

1. *(1) Total Income = Total Income - Interest Income/ Finance Income*
2. *(2) EBITDA = Profit after tax + tax expense + finance cost + depreciation and amortisation - Interest income/Finance Income*
3. *(3) EBITDA margin = EBITDA / total income*
4. *(4) Adjusted EBITDA = EBITDA + Fair value changes in Liability payable/paid to promoters of acquired subsidiary + Employee stock option expense - Liability payable to promoters of acquired subsidiary no longer required written back*
5. *(5) Adjusted EBITDA Margin (%) = Adjusted EBITDA / Total Income*
6. *(6) EBIT = EBITDA - Depreciation & amortisation*
7. *(7) Adjusted EBIT = Adjusted EBIDTA - Depreciation & amortisation*
8. *(8) PAT margin = Restated PAT / Total income*
9. *(9) ROE = Restated PAT attributable to equity holders of the parent / Total Equity attributable to equity shareholders of the parent (excluding non-controlling interest)as at the end of the year/period (not annualized for six months period ended September 30, 2022). For SIS Limited, for the six months ended September 30, 2022, ROE = PAT / Total Equity*
10. *(10) ROCE = EBIT / Capital employed as at the end of the year/period (not annualized for six months period ended September 30, 2022). Capital Employed is calculated as summation of Total Shareholder's Equity + Long term borrowings + Short term borrowings + lease liabilities - Cash & cash equivalent - Bank balance other than cash and cash equivalents cash equivalents*
11. *(11) Adjusted ROCE % = Adjusted EBIT / Capital Employed as at the end of period (not annualized for six months period ended September 30, 2022). Capital Employed is calculated as summation of Total Shareholder's Equity + Long term borrowings + Short term borrowings + lease liabilities - Cash & Cash Equivalent - Bank Balance other than cash and cash equivalents)*
12. *(12) Net Debt = Long Term Borrowings + Short Term Borrowings - Cash & Cash Equivalents - Bank balance other than cash and cash equivalents*
13. *(13) Debt to Equity = Total Debt/Total Shareholder's Equity, Total Debt = Short term borrowing + Long term borrowings*
14. *(14) Net Debt to Equity = Net Debt/Total Shareholder's Equity*

Weighted average cost of acquisition

a) *The price per share of our Company based on the primary/ new issue of shares (equity / convertible securities)*

There has been no issuance of Equity Shares or convertible securities, excluding the shares issued under the ESOP Schemes and issuance of bonus shares, during the 18 months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-Offer capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of 30 days.

b) *The price per share of our Company based on the secondary sale / acquisition of shares (equity / convertible securities)*

There have been no secondary sale / acquisitions of Equity Shares or any convertible securities, where the Promoters, members of the Promoter Group, Selling Shareholders, or Shareholder(s) having the right to nominate director(s) on the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this Draft Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-Offer capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

c) *Price per share based on the last five primary or secondary transactions*

Since there are no such transactions to report to under (a) and (b), therefore, information based on last 5 primary or secondary transactions (secondary transactions where Promoters / Promoter Group entities or Selling Shareholders or Shareholder(s) having the right to nominate director(s) on the Board of our Company, are a party to the transaction), not older than three years prior to the date of this Draft Red Herring Prospectus irrespective of the size of transactions, is as below:

Primary transactions:

There have been no primary transactions in the last three years preceding the date of this Draft Red Herring Prospectus.

Secondary transactions:

Disclosed below are the last five secondary transactions by the Promoters, members of the Promoter Group, Selling Shareholders, or Shareholder(s) having the right to nominate director(s) in the Board of Directors of our Company are a party to the transaction, in the last three years preceding the date of this Draft Red Herring Prospectus:

Date of transfer	Name of transferor	Name of transferee	Number of equity shares transferred	Face value per equity share (₹)	Price per equity share (₹)	Nature of transaction	Nature of consideration	Total consideration (in ₹ million)
March 15, 2023	Raghunandana Tangirala	Rammohan Tangirala	7,90,000	10	Nil	Gift	Gift	Nil
Total			7,90,000					Nil
Weighted average cost of acquisition								Nil

Certified by Lodha & Co, Chartered Accountants, by their certificate dated March 29, 2023 .

Weighted average cost of acquisition, floor price and cap price

Past transactions	Weighted average cost of acquisition per Equity Share (in ₹)	Floor Price is ₹ [●]#	Cap Price is ₹ [●]#
Weighted average cost of acquisition for last 18 months for primary / new issue of shares (equity/convertible securities), excluding shares issued under an employee stock option plan/employee stock option scheme, during the 18 months preceding the date of filing of this Draft	NA^	[●] times	[●] times

Past transactions	Weighted average cost of acquisition per Equity Share (in ₹)	Floor Price is ₹ [●]#	Cap Price is ₹ [●]#
Red Herring Prospectus, where such issuance is equal to or more than 5 per cent of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days			
Weighted average cost of acquisition for last 18 months for secondary sale / acquisition of shares (equity/convertible securities), where Promoter / Promoter Group entities or Selling Shareholders or Shareholder(s) having the right to nominate director(s) in our Board are a party to the transaction (excluding gifts), during the 18 months preceding the date of filing of this Draft Red Herring Prospectus, where either acquisition or sale is equal to or more than 5 per cent of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days	NA^	[●] times	[●] times
Since there were no primary transactions or secondary transactions of equity shares of the Company during the 18 months preceding the date of filing of this Draft Red Herring Prospectus, the information has been disclosed for price per share of the Company based on the last five primary or secondary transactions (secondary transactions where Promoter /Promoter Group entities or Selling Shareholders or Shareholder(s) having the right to nominate director(s) on our Board, are a party to the transaction), not older than three years prior to the date of filing of this Draft Red Herring Prospectus irrespective of the size of the transaction			
- Based on primary transactions	Nil	[●] times	[●] times
- Based on secondary transactions	Nil$	[●] times	[●] times

 # There were no primary/ new issue of shares (equity / convertible securities) in last 18 months prior to the date of this Draft Red Herring Prospectus where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company in a single transaction or multiple transactions combined together over a span of 30 days.

^ There were no secondary sales / acquisition of shares (equity/ convertible securities) transactions in last 18 months prior to the date of this Draft Red Herring Prospectus where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company in a single transaction or multiple transactions combined together over a span of rolling 30 days.

$ Transferred 7,90,000 Equity Shares on March 15, 2023 as gift from our Promoter Raghunandana Tangirala to Rammohan Tangirala.

Detailed explanation for Offer Price/Cap Price being [●] price of weighted average cost of acquisition of primary issuance price/secondary transaction price of Equity Shares (as set out above) along with our Company's key financial metrics and financial ratios for the six months period ended September 30, 2022 and for the Financial Years ended March 31, 2022, 2021 and 2020.

[●]*

**To be included on finalisation of Price Band*

Explanation for Offer Price/Cap Price being [●] price of weighted average cost of acquisition of primary issuance price/secondary transaction price of Equity Shares (as set out above) in view of the external factors which may have influenced the pricing of the Offer.

[●]*

**To be included on finalisation of Price Band*

The Offer price is [●] times of the face value of the Equity Shares

The Offer Price of ₹ [●] has been determined by our Company and the Selling Shareholders in consultation with the BRLMs, on the basis of market demand from investors for Equity Shares through the Book Building Process and is justified in view of the above qualitative and quantitative parameters.

STATEMENT OF SPECIAL TAX BENEFITS

STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO UPDATER SERVICES LIMITED (THE "COMPANY") AND ITS SHAREHOLDERS UNDER APPLICABLE LAWS IN INDIA

The Board of Directors,
Updater Services Limited
No. 2/302 - A, UDS Salai,
Off Old Mahabalipuram Road,
Thoraipakkam, Chennai – 600 097
Tamil Nadu, India.

Dear Sirs,

Re: Statement of Special Tax Benefits available to Updater Services Limited (formerly known as Updater Services Private Limited), and its shareholders under the Indian tax laws.

1. We hereby confirm that the enclosed Annexures, prepared by the Company, provides the special tax benefits available to the Company and to the shareholders of the Company under:

   - the Income-tax Act, 1961 (the "Act") as amended by the Finance Act, 2022 i.e. applicable for the Financial Year 2022-23 relevant to the Assessment Year 2023-24, as amended and presently in force in India (together, the "Direct Tax Laws"); and
   - the Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017 and applicable State Goods and Services Tax Act, 2017 ("GST Act"), the Customs Act, 1962 ("Customs Act") and the Customs Tariff Act, 1975 ("Tariff Act"), as amended by the Finance Act 2022 applicable for the Financial Year 2022-23, Foreign Trade Policy 2015-20 as extended till 31.03.2023 vide Notification No. 37/2015-20 dated 29th September 2022 (unless otherwise specified), read with Rules, Circulars, and Notifications each as amended and presently in force in India (collectively referred as "Indirect Tax Laws", and along with the Direct Tax Laws, the "Tax Laws").

2. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company to derive the tax benefits is dependent upon their fulfilling of such conditions which, based on business imperatives the Company faces in the future, the Company or its shareholders may or may not choose to fulfil.

3. The benefits discussed in the enclosed Annexures are not exhaustive and the preparation of the contents stated in the Annexures is the responsibility of the management of the Company. We are informed that the Annexures are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of equity shares (the "Proposed IPO") by the Company.

4. We do not express any opinion or provide any assurance as to whether:

   i) the Company or its shareholders will continue to obtain these benefits in future;
   ii) the conditions prescribed for availing the benefits have been / would be met with; and
   iii) the revenue authorities/courts will concur with the views expressed herein.

5. The contents of the enclosed Annexures are based on information, explanations and representations obtained from the Company and on the basis of their understanding of the business activities and operations of the Company.

6. This Statement is issued solely in connection with the Proposed IPO and is not to be used, referred to or distributed for any other purpose.

For S.R. Batliboi & Associates LLP

Chartered Accountants
ICAI Firm Registration Number: 101049W / E300004

Aravind K
Partner
Membership Number: 221268
UDIN: 23221268BGXPOJ3329
Place of Signature: Chennai
Date: March 29, 2023

ANNEXURE 1

STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO UPDATER SERVICES LIMITED (THE "COMPANY"), AND ITS SHAREHOLDERS UNDER THE INCOME-TAX ACT, 1961

Outlined below are the special tax benefits available to the Company and its Shareholders under the Income-tax Act, 1961 (the "Act") as amended by the Finance Act, 2022 applicable for the Financial Year 2022-23 relevant to the Assessment Year 2023-24, as amended and presently in force in India.

I. Special tax benefits available to the Company

1. As per the provisions of section 80JJAA of the Act, a company subject to tax audit under section 44AB of the Act and whose gross total income includes any profit and gains derived from business shall be entitled to claim a deduction of an amount equal to thirty percent of additional employee cost incurred in the course of such business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided. The eligibility to claim the deduction is subject to fulfilment of prescribed conditions specified in sub-section (2) of section 80JJAA of the Act.

II. Special tax benefits available to the Shareholders of the Company

There are no special tax benefits available to the Shareholders of the Company for investing in the shares of the Company.

Notes:

1. This Annexure is as per the Income-tax Act, 1961 as amended by the Finance Act, 2022 read with relevant rules, circulars and notifications applicable for the Financial Year 2022-23 relevant to the Assessment Year 2023-24, presently in force in India.

2. This Annexure covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.

3. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws.

4. As per section 115BAA of the Act, the Company has an option to pay income tax in respect of its total income at a concessional tax rate of 25.168% (including applicable surcharge and cess) subject to satisfaction of certain conditions with effect from Financial Year 2019-20 (i.e. Assessment Year 2020-21). The Company has adopted the said tax rate with effect from Financial Year 2019-20. Such option once exercised shall apply to subsequent assessment years. In such a case, the Company may not be allowed to claim any of the following deductions/exemptions:

   i) Deduction under the provisions of section 10AA (deduction for units in Special Economic Zone.
   ii) Deduction under clause (iia) of sub-section (1) of section 32 (Additional depreciation).
   iii) Deduction under section 32AD or section 33AB or section 33ABA (Investment allowance in backward areas, Investment deposit account, site restoration fund)
   iv) Deduction under sub-clause (ii) or sub-clause (iia) or sub-clause (iii) of sub-section (1) or sub section (2AA) or sub-section (2AB) of section 35 (Expenditure on scientific research)
   v) Deduction under section 35AD or section 35CCC (Deduction for specified business agricultural extension project)
   vi) Deduction under section 35CCD (Expenditure on skill development)
   vii) Deduction under any provisions of Chapter VI-A other than the provisions of section 80JJAA or Section 80M
   viii) No set off of any loss carried forward or depreciation from any earlier assessment year, if such loss or depreciation is attributable to any of the deductions referred from clause i) to vii) above.
   ix) No set off of any loss or allowance for unabsorbed depreciation deemed so under section 72A, if such loss or depreciation is attributable to any of the deductions referred from clause i) to vii) above

   Further, it was clarified by the Central Board of Direct Taxes vide Circular No. 29/ 2019 dated 02 October 2019 that if the Company opts for concessional income tax rate under section 115BAA, the provisions of section 115JB regarding Minimum Alternate Tax (MAT) are not applicable. Further, such Company will not be entitled to claim tax credit relating to MAT.

5. This Annexure is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax arising out of their participation in the Proposed IPO.

6. In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant Double Tax Avoidance Agreement(s), if any, between India and the country in which the non-resident has fiscal domicile.

7. No assurance is provided that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

For **Updater Services Limited**

Director
Place: Chennai
Date: March 29, 2023

Chief Financial Officer
Place: Chennai
Date: March 29, 2023

ANNEXURE 2

STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO UPDATER SERVICES LIMITED (THE "COMPANY"), AND ITS SHAREHOLDERS UNDER THE APPLICABLE LAWS IN INDIA – INDIRECT TAXES

Outlined below are the special tax benefits available to the Company and its Shareholders under Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017 and applicable State Goods and Services Tax Act, 2017 ("**GST Acts**"), the Customs Act, 1962 ("**Customs Act**") and the Customs Tariff Act, 1975 ("**Tariff Act**"), as amended by the Finance Act 2022 applicable for the Financial Year 2022-23, Foreign Trade Policy 2015-20 as extended till 31.03.2023 vide Notification No. 37/2015-20 dated 29.09.2022 (unless otherwise specified), read with Rules, Circulars, and Notifications each as amended and presently in force in India.

I. Special tax benefits available to the Company

1. In accordance with Section 54 of the CGST Act, 2017 accumulated input tax credit paid on inputs and input services used in the export of services / IGST paid on export of services, if any are eligible for refund claim, subject to prescribed conditions.

2. The Company renders services such as cleaning or housekeeping services to educational institutions which qualifies as exempted supply as per Section 11 of the CGST Act, 2017, and provided the conditions specified as per Notification No 12/ 2017 – Central Tax rate dated 28th June 2017 are fulfilled.

3. At present, the Company does not import products by paying reduced / preferential duty of customs.

   However, in a scenario, where the Company imports certain specific products from countries with which India has a preferential trade agreement, then exemption from payment of duty/benefit of reduced duty of customs is available subject to fulfilment of prescribed conditions laid under Customs Act, 1962

II. Special tax benefits available to the Shareholders of the Company

There are no special indirect tax benefits available to the shareholders for investing in the shares of the Company.

Notes:

1. This Annexure sets out the only the special tax benefits available to the Company and its Shareholders under Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017 and applicable State Goods and Services Tax Act, 2017 ("**GST Acts**"), the Customs Act, 1962 ("**Customs Act**") and the Customs Tariff Act, 1975 ("**Tariff Act**"), as amended by the Finance Act 2022 applicable for the Financial Year 2022-23, Foreign Trade Policy 2015-20 as extended till 31.03.2023 vide Notification No. 64/2015-20 dated 29.09.2022 (unless otherwise specified), read with Rules, Circulars, and Notifications each as amended and presently in force in India.

2. This Annexure is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Proposed IPO.

3. This annexure covers only indirect tax laws benefits and does not cover any special tax benefits under Direct Tax Laws or benefit under any other law.

4. This statement is based upon the provisions of the specified Indirect tax laws, and judicial interpretation thereof prevailing in the country, as on the date of this Annexure.

5. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

For **Updater Services Limited**

Director
Place: Chennai
Date: March 29, 2023

Chief Financial Officer
Place: Chennai
Date: March 29, 2023

STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO ATHENA BPO PRIVATE LIMITED (THE "COMPANY") AND ITS SHAREHOLDERS UNDER APPLICABLE LAWS IN INDIA

The Board of Directors,
Athena BPO Private Limited
3rd Floor, Symphony IT Park,
Behind Ice Factory, Off Saki Vihar Road,
Chandivali, Andheri (East),
Mumbai – 400 072

Dear Sirs,

Re: Statement of Special Tax Benefits available to Athena BPO Private Limited and its shareholders under the Indian tax laws.

1. We hereby confirm that the enclosed Annexures, prepared by the Company, state the special tax benefits available to the Company and to the shareholders of the Company under:

   - the Income-tax Act, 1961 (the "Act") as amended by the Finance Act, 2022 i.e. applicable for the Financial Year 2022-23 relevant to the Assessment Year 2023-24, as amended and presently in force in India (together, the "Direct Tax Laws"); and

   - the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, and applicable State Goods and Services Tax Act, 2017 read with Rules, Circulars, and Notifications ("GST Act"), the Customs Act, 1962 ("Customs Act") and the Customs Tariff Act, 1975 ("Tariff Act"), Foreign Trade Policy 2015-20 as extended till 31.03.2023 vide Notification No. 37/2015-20 dated 29.09.2022 as amended by the Finance Act 2022 and applicable to the assessment year 2023-24 relevant to the Financial Year (FY) 2022-23) for inclusion in the Draft Red Herring Prospectus ("DRHP") for the proposed initial public offering of shares of the Updater Services Limited (formerly known as Updater Services Private Limited), as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018(unless otherwise specified), each as amended and presently in force in India (collectively referred as "Indirect Tax Laws", and along with the Direct Tax Laws, the "Tax Laws").

     The Act, the GST Act, Customs Act and Tariff Act, as defined above, are also collectively referred to as the "Relevant Acts".

2. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Relevant Acts. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon their fulfilling of such conditions which, based on business imperatives the Company faces in the future, the Company or its shareholders may or may not choose to fulfil.

3. The benefits discussed in the enclosed Annexures are not exhaustive and the preparation of the contents stated in the Annexures is the responsibility of the management of the Company. We are informed that the Annexures are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of equity shares (the "Proposed IPO") by the Company's Holding Company, Updater Services Limited (the "Issuer").

4. We do not express any opinion or provide any assurance as to whether:

   iv) the Company or its shareholders will continue to obtain these benefits in future;
   v) the conditions prescribed for availing the benefits have been / would be met with; and
   vi) the revenue authorities/courts will concur with the views expressed herein.

5. The contents of the enclosed Annexures are based on information, explanations and representations obtained from the Company and on the basis of their understanding of the business activities and operations of the Company.

6. This Statement is issued solely in connection with the Proposed IPO and inclusion in the draft red herring prospectus of the Issuer prepared under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended to be submitted / filed with the Securities and Exchange Board of India, the BSE, the National Stock Exchange of India Limited and is not to be used, referred to or distributed for any other purpose.

For Sukhbir & Associates
Chartered Accountants

S.S. Sahni
(Partner)
ICAI Firm Reg. No: 132961W
Membership No.: 38638
UDIN: 23038638BGWSZQ5271

Place: Mumbai
Date: March 24, 2023

ANNEXURE 1

STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO ATHENA BPO PRIVATE LIMITED (THE "COMPANY") AND ITS SHAREHOLDERS UNDER THE INCOME-TAX ACT, 1961

Outlined below are the special tax benefits available to the Company and its Shareholders under the Income-tax Act, 1961 (the "Act") as amended by the Finance Act, 2022 applicable for the Financial Year 2022-23 relevant to the Assessment Year 2023-24, as amended and presently in force in India.

III. Special tax benefits available to the Company

1. As per the provisions of section 80JJAA of the Act, a company subject to tax audit under section 44AB of the Act and whose gross total income includes any profit and gains derived from business shall be entitled to claim a deduction of an amount equal to thirty percent of additional employee cost incurred in the course of such business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided. The eligibility to claim the deduction is subject to fulfilment of prescribed conditions specified in sub-section (2) of section 80JJAA of the Act.

2. As per the provisions of section 115BAA of the Act, every domestic company has the option to pay corporate tax at a reduced rate of 25.168% (22% plus surcharge of 10% and cess of 4%), subject to the conditions specified in sub-section (2) of section 115BAA of the Act. Sub-section (2) of Section 115BAA specifies the deductions/ exemptions not available to a domestic company exercising the option u/s 115BAA. The provisions of section 115JB (Minimum Alternative Tax) shall not apply to a company exercising the option under section 115BAA as specified by sub-section (5A) of the section 115BAA. Further, the proviso to sub-section (2) to section 115BAA provides that once a domestic company exercises the option of payment a lower corporate tax under this section, the option cannot be withdrawn in the same year or any of the following years.

3. As per the provisions of section 80M of the Act, a domestic company that has received inter-corporate dividends in the current year declared by any other domestic company or foreign company or a business trust shall be entitled to claim a deduction of an amount equal to the amount dividend received and distributed by it one month prior to the date for furnishing the return of income under sub-section (1) of section 139 for that relevant year ("due date"). Thus, dividend received by the Company from its Subsidiary shall not be taxable in the hands of the Company to the extent the dividends are distributed by the company to its shareholder on or before the aforesaid due date.

IV. Special tax benefits available to the Shareholders of the Company

There are no special tax benefits available to the existing Shareholders of the Company.

Notes:

1. This Annexure is as per the Income-tax Act, 1961 as amended by the Finance Act, 2022 read with relevant rules, circulars and notifications applicable for the Financial Year 2022-23 relevant to the Assessment Year 2023-24, presently in force in India.

2. This Annexure covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.

3. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws.

4. This Annexure is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax arising out of their participation in the Proposed IPO.

5. In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant Double Tax Avoidance Agreement(s), if any, between India and the country in which the non-resident has fiscal domicile.

6. No assurance is provided that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

For Athena BPO Private Limited

Nagesh Rao
Director & Chief Financial Officer
DIN: 02083552

Place: Mumbai
Date: March 23, 2023

ANNEXURE 2

STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO ATHENA BPO PRIVATE LIMITED (THE "COMPANY") AND ITS SHAREHOLDERS UNDER THE APPLICABLE LAWS IN INDIA – INDIRECT TAXES

Outlined below are the special tax benefits available to the Company and its Shareholders under Central Goods and Services Tax Act, 2017 ("CGST Act, 2017"), the Integrated Goods and Services Tax Act, 2017 ("IGST Act, 2017"), the Union Territory Goods and Services Tax Act, 2017("UGST Act, 2017"), and applicable State Goods and Services Tax Act, 2017 ("SGST Act, 2017") (together "**GST Acts**"), the Customs Act, 1962 ("**Customs Act**") and the Customs Tariff Act, 1975 ("**Tariff Act**"), Foreign Trade Policy 2015-20 as extended till 31.03.2023 vide Notification No. 37/2015-20 dated 29.09.2022 (unless otherwise specified), as amended by the Finance Act 2022 applicable for the Financial Year 2022-23, each as amended and presently in force in India presently in force in India.

III. Special tax benefits available to the Company

4. At present, the Company does not export its services.

   However, in a scenario, where the Company exports its services, then in accordance with section 16 of the IGST Act, 2017, they have the option to export without payment of IGST under a letter of undertaking, subject to prescribed conditions. Further, in accordance with section 54 of the CGST Act, 2017 accumulated input tax credit paid on inputs and input services used in the export of services, if any are eligible for refund claim, subject to prescribed conditions. Alternatively, the Company may also export the services with payment of IGST and claim refund of the IGST paid on export in accordance with section 54 of the CGST Act, 2017, subject to prescribed conditions.

5. At present, the Company does not import products by paying reduced / preferential duty of customs.

   However, in a scenario, where the Company imports certain specific products from countries with which India has a preferential trade agreement, then exemption from payment of duty/benefit of reduced duty of customs is available subject to fulfilment of prescribed conditions laid under Customs Act, 1962.

IV. Special tax benefits available to the Shareholders of the Company

There are no special indirect tax benefits available to the shareholders.

Notes:

6. This Annexure sets out the only the special tax benefits available to the Company and its Shareholders under Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, and applicable State Goods and Services Tax Act, 2017 ("**GST Acts**"), the Customs Act, 1962 ("**Customs Act**") and the Customs Tariff Act, 1975 ("**Tariff Act**"), Foreign Trade Policy 2015-20 as extended till 31.03.2023 vide Notification No. 37/2015-20 dated 29.09.2022 (unless otherwise specified), as amended by the Finance Act 2022 applicable for the Financial Year 2022-23, each as amended and presently in force in India presently in force in India.

7. This Annexure is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Proposed IPO.

8. This annexure covers only indirect tax laws benefits and does not cover any income tax law benefits or benefit under any other law.

9. This statement is based upon the provisions of the specified Indirect tax laws, and judicial interpretation thereof prevailing in the country, as of the date of this certificate.

10. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

For **Athena BPO Private Limited**

Nagesh Rao
Director & Chief Financial Officer
DIN: 02083552

Place: Mumbai
Date: March 23, 2023

STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO DENAVE INDIA PRIVATE LIMITED, ITS SHAREHOLDERS UNDER APPLICABLE LAWS IN INDIA

The Board of Directors, ·
Denave India Private Limited
Second Floor, 154A, Sector 63 Rd, A Block,
Sector 63, Noida
Uttar Pradesh - 201307

Dear Sirs,

Re: Statement of Special Tax Benefits available to Denave India Private Limited under the Indian tax laws.

1. We hereby confirm that the enclosed Annexures, prepared by the **Denave India Private Limited** (the "**Company**"), provides the special tax benefits available to the Companies and to the shareholders of the Company under:

    - the Income-tax Act, 1961 (the "Act") as amended by the Finance Act, 2022 i.e. applicable for the Financial Year 2022-23 relevant to the Assessment Year 2023-24, as amended and presently in force in India (together, the "Direct Tax Laws"); and
    - the Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017 and applicable State Goods and Services Tax Act, 2017 read with Rules, Circulars, and Notifications ("GST Act"), the Customs Act, 1962 ("Customs Act") and the Customs Tariff Act, 1975 ("Tariff Act"), Foreign Trade Policy 2015-20 as extended till 31.03.2023 vide Notification No. 37/2015-20 dated 29.09.2022 as amended by the Finance Act 2022 and applicable to the assessment year 2023-24 relevant to the Financial Year (FY) 2022-23) for inclusion in the Draft Red Herring Prospectus ("DRHP") for the proposed initial public offering of shares of the Updater Services Limited (formerly known as Updater Services Private Limited), as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, each as amended by the Finance Act 2022 applicable for the Financial Year 2022-23, each as amended and presently in force in India (collectively referred as "Indirect Tax Laws", and along with the Direct Tax Laws, the "Tax Laws").

    The Act, the GST Act, Customs Act and Tariff Act, as defined above, are also collectively referred to as the "Relevant Acts".

2. Several of these benefits are dependent on the Company or its shareholders, fulfilling the conditions prescribed under the relevant provisions of the Relevant Acts. Hence, the ability of the Companies to derive the tax benefits is dependent upon their fulfilling of such conditions which, based on business imperatives the Companies face in the future, the Company or its shareholders may or may not choose to fulfil.

3. The benefits discussed in the enclosed Annexures are not exhaustive and the preparation of the contents stated in the Annexures is the responsibility of the management of the Companies. We are informed that the Annexures are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of equity shares (the "Proposed IPO") of the "UPDATER SERVICES LIMITED".

4. We do not express any opinion or provide any assurance as to whether:

    i) the Company or its shareholders will continue to obtain these benefits in future;
    ii) the conditions prescribed for availing the benefits have been I would be met with; and
    iii) the revenue authorities/courts will concur with the views expressed herein.

5. The contents of the enclosed Annexures are based on information, explanations and representations obtained from the Company and on the basis of their understanding of the business activities and operations of the Companies.

6. Our views are based on the existing provisions of tax law and its interpretations, which are subject to change or modification by subsequent legislative, regulatory, administrative, or judicial decisions. Any such changes, which could also be retroactive, could have an effect on the validity of our views stated herein. We assume no obligation to update this statement on any events subsequent to its issue which may have a material effect on the discussions herein.

7. This Statement is issued solely in connection with the Proposed IPO of the "UPDATER SERVICES LIMITED" and inclusion in the draft red herring prospectus of the Issuer prepared under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended to be submitted / filed with the Securities and Exchange Board of India, the BSE, the National Stock Exchange of India Limited and is not to be used, referred to or distributed for any other purpose.

Place: Bengaluru
Date: 27.03.2023

For VARMA & VARMA
Chartered Accountants
FRN 004532S

MITHUN LAKSHMANA PAI
Partner
MNo. 219813
ICAI UDIN - 23219813BGVBXQ6863

ANNEXURE l

STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO DENAVE INDIA PRIVATE LIMITED, ITS SHAREHOLDERS UNDER THE INCOME-TAX ACT, 1961

Outlined below are the special tax benefits available to the Company, its Shareholders under the Income-tax Act, 1961 (the "**Act**") as amended by the Finance Act, 2022 applicable for the Financial Year 2022-23 relevant to the Assessment Year 2023-24, as amended and presently in force in India.

I. Special tax benefits available to the Company

1. Lower Corporate tax rate under Section ll5BAA of the Act

As per section l15BAA of the Act inserted by the Taxation Laws (Amendment) Act, 2019 ("the Amendment Act, 2019) w.e.f. April I, 2020 i.e., A.Y.2020-21 an option is granted to the domestic companies to compute corporate tax at a reduced rate of 22%, provided the taxpayer does not avail specified exemptions/incentives and complies with other conditions specified in section 115BAA of the Act. Further, the taxpayer availing such option will not be required to pay Minimum Alternate Tax ("**MAT**") on its book profits under section l l5JB.

However, such company will not be eligible to avail specified exemptions/incentives under the Act and will also need to comply with the other conditions specified in section l l5BAA of the Act. Also, if a company opts for section l 15BAA of the Act, the tax credit (under section l l5JAA of the Act), if any, which it is entitled to on account of MAT paid in earlier years, will no longer be available. Further, it shall not be allowed to claim set-off of any brought forward loss arising to it on account of additional depreciation and other specified incentives.

The company has represented to us that they have opted for section l l5BAA of the Act for the Assessment Year 2022-23 (F.Y.2021-22) onwards.

2. As per the provisions of section 80JJAA of the Act, a company subject to tax audit under section 44AB of the Act and whose gross total income includes any profit and gains derived from business shall be entitled to claim a deduction of an amount equal to thirty percent of additional employee cost incurred in the course of such business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided. The eligibility to claim the deduction is subject to fulfilment of prescribed conditions specified in sub-section (2) of section 80JJAA of the Act.

The Company has claimed the deduction in Assessment Year 2022-23 for the Assessment Year 2022-23 and will continue for the Assessment Year 2023-24 and the Assessment Year 2024-25. Further, the claim with respect to Assessment Year 2023-24 is yet to be determined by the Company and the due date for the same is before the filing of return of Income for Assessment Year 2023-24.

II. Special tax benefits available to the Shareholders of the Company

1. Deduction in respect of inter-corporate dividends - Section 115BAA of the Act

Up to 3lst March 2020, any dividend paid to a shareholder by a company was liable to Dividend Distribution Tax ("**DDT**"), and the recipient shareholder was exempt from tax. Pursuant to the amendment made by the Finance Act, 2020, DDT stands abolished and dividend received by a shareholder on or after 1st April 2020 is liable to tax in the hands of the shareholder, other than dividend on which tax under section 115-O has been paid. The company is required to deduct Tax at Source ("**TDS**") at applicable rate specified under the Act read with applicable Double Taxation Avoidance Agreement (if any).

With respect to a shareholder, which is a domestic company as defined in section 2(22A) of the Income Tax Act, 1961, a new section 80M has been inserted in the Act to remove the cascading effect of taxes on inter-corporate dividends during FY 2020-21 and thereafter. The section inter alia provides that where the gross total income of a domestic company in any previous year includes any income by way of dividends from any other domestic company or a foreign company or a business trust, there shall, in accordance with and subject to the provisions of this section, be allowed in computing the total income of such domestic company, a deduction of an amount equal to so much of the amount of income by way of dividends received from such other domestic company or foreign company or business trust as does not exceed the amount of dividend distributed by it on or before the due date. The "due date" means the date one month prior to the date for furnishing the return of income under sub-section (1) of section 139 of the Act.

2. Dividend income is taxable for the shareholders in their hands as per the applicable tax rates. However, in case of a domestic corporate shareholder, deduction under Section 80M of the Act would be available subject to fulfilment of conditions mentioned in Section 80M of the Act (as mentioned above). Further, in case of shareholders who are Individuals, Hindu Undivided Family, Association of Persons and Body of Individuals (whether incorporated or not) and every Artificial Juridical Person, surcharge would be restricted to 15%, irrespective of the amount of dividend received during the year. The shareholders would also be entitled to take credit of the Tax Deducted at Source by the Company against the taxes payable by them.

   As per Section ll2A of the Act, long-term capital gains arising from transfer of an equity share for which securities transaction tax ("**STT**") is paid at the time of acquisition and sale, shall be taxed at 10% (without indexation) plus applicable surcharge and cess of such capital gains. This is subject to fulfilment of prescribed additional conditions as per Notification No. 60/2018/F. No.370142/9/2017-TPL dated 01 October 2018. It is worthwhile to note that tax shall be levied where such capital gains exceed INR 1,00,000/- in a year.

   Further, the Finance Act 2022 has restricted surcharge to 15% in respect of long-term capital gain arising from any capital asset.

   As per Section 111A of the Act, short-term capital gains arising from transfer of listed equity shares shall be restricted to the rate of 15% (plus applicable surcharge and cess) subject to fulfilment of the prescribed conditions under the Act.

Notes:

1. This Annexure is as per the Income-tax Act, 1961 as amended by the Finance Act, 2022 read with relevant rules, circulars and notifications applicable for the Financial Year 2022-23 relevant to the Assessment Year 2023-24, presently in force in India.

2. This Annexure covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.

3. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Company and/or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company and/or its shareholders may or may not choose to fulfil.

4. The Statement is prepared on the basis of information available with the Management of the Company and there is no assurance that:

   a. the Company or its shareholders will continue to obtain these benefits in future;
   b. the conditions prescribed for availing the benefits have been/ would be met with; and
   c. the revenue authorities/courts will concur with the view expressed herein.

5. The special direct tax benefits discussed in the Statement are not exhaustive and this Annexure is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax arising out of their participation in the Proposed IPO of the "UPDATER SERVICES LIMITED".

6. In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject

to any benefits available under the relevant Double Tax Avoidance Agreement(s), if any, between India and the country in which the non-resident has fiscal domicile.

7. No assurance is provided that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

For Denave India Private Limited

SNEHASHISH BHATT ACHARJEE
Director
Place: Noida
Date: March 27, 2023

ANNEXURE 2

STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO DENAVE INDIA PRIVATE LIMITED, ITS SHAREHOLDERS UNDER THE APPLICABLE LAWS IN INDIA - INDIRECT TAXES

Outlined below are the special tax benefits available to the Company, its Shareholders under Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017 the Union Territory Goods and Services Tax Act, 2017 and applicable State Goods and Services Tax Act, 2017 ("**GST Acts**"), the Customs Act, 1962 ("**Customs Act**") and the Customs Tariff Act, 1975 ("**Tariff Act**"), Foreign Trade Policy 2015-20 as extended till 31.03.2023 vide Notification No. 37/2015-20 dated 29.09.2022 as amended by the Finance Act 2022 and applicable to the Assessment Year 2023-24 relevant to the Financial Year (FY) 2022-23) , each as amended from time to time and presently in force in India.

I. Special tax benefits available to the Company

1. The company has export of services which are not taxable under GST being Zero rated supplies under IGST Act, 2017 by Furnishing of Letter of Undertaking for export of goods or services which is subject to prescribed conditions.

2. In accordance with Section 54 of the CGST Act, 2017 accumulated input tax credit paid on inputs and input services used in the export of services / IGST paid on export of services, if any are eligible for refund claim, subject to prescribed conditions.

3. At present, the Company do not import products by paying reduced/ preferential duty of customs.

   However, in a scenario, where the Company import certain specific products from countries with which India has a preferential trade agreement, then exemption from payment of duty/benefit of reduced duty of customs is available subject to fulfilment of prescribed conditions laid under Customs Act, 1962.

II. Special tax benefits available to the Shareholders of the Company

There are no special indirect tax benefits available to the shareholders for investing in the shares of the Company.

Notes:

1. This Annexure sets out the only the special tax benefits available to the Company and its Shareholders under Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017 and applicable State Goods and Services Tax Act, 2017 ("**GST Acts**"), the Customs Act, 1962 ("**Customs Act**") and the Customs Tariff Act, 1975 ("**Tariff Act**"), as amended from time to time, Foreign Trade Policy 2015-20 as extended till 31.03.2023 vide Notification No. 64/2015-20 dated 29.09.2022 (unless otherwise specified), presently in force in India.

2. The special indirect tax benefits discussed in the Statement are not exhaustive and this Annexure is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Proposed IPO of the "UPDATER SERVICES LIMITED".

3. This annexure covers only indirect tax laws benefits and does not cover any income tax law benefits or benefit under any other law.

4. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Company and/or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company and/or its shareholders may or may not choose to fulfil.

5. The Statement is prepared on the basis of information available with the Management of the Company and there is no assurance that:

    a. the Company or its shareholders will continue to obtain these benefits in future;
    b. the conditions prescribed for availing the benefits have been/ would be met with; and
    c. the revenue authorities/courts will concur with the view expressed herein.

6. This statement is based upon the provisions of the specified Indirect tax laws, and judicial interpretation thereof prevailing in the country, as of March 24, 2023.

7. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

For Denave India Private Limited

SNEHASHISH BHATT ACHARJEE
Director
Place: Noida
Date: March 27, 2023

STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO MATRIX BUSINESS SERVICES INDIA PRIVATE LIMITED ("THE COMPANY"), AND THE SHAREHOLDERS OF THE COMPANY UNDER THE APPLICABLE DIRECT AND INDIRECT TAX LAWS IN INDIA

Date: 28th March 2023

To
The Board of Directors
Matrix Business Services India Private Limited
Sree Maha Madhi Towers
New No. 17, Arulambal Street
Chennai 600 017
Tamil Nadu, India

Dear Sirs,

We, Deloitte Haskins & Sells LLP, the statutory auditors of Matrix Business Services India Private Limited ("**the company**") refer to the proposed initial public offering of equity shares of **Updater Services Limited (formerly known as Updater Services Private Limited)** ("**the holding company**" and such offering the "**Offer**"). We enclose herewith the statement (the "**Annexure**") showing the current position of special tax benefits available to the Company and the shareholders of the Company as per the provisions of the Indian direct and indirect tax laws, including the Income Tax Act 1961, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, Customs Act, 1962 and the Customs Tariff Act, 1975 (collectively the "**Taxation Laws**"), including the rules, regulations, circulars and notifications issued in connection with the Taxation Laws and the Foreign Trade Policy 2015-2020 (which has been extended now i.e., up to 31st March 2023 vide Notification No. 37/2015-2020 dated 29th September 2022 and applicable to the assessment year 2023-24 relevant to the Financial Year (FY) 2022-23) for inclusion in the Draft Red Herring Prospectus ("**DRHP**") for the proposed initial public offering of shares of the Updater Services Limited (formerly known as Updater Services Private Limited), as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**ICDR Regulations**")

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the direct and indirect taxation laws, including the Income-tax Act 1961. Hence, the ability of the Company or its shareholders to derive these direct and indirect tax benefits is dependent upon their fulfilling such conditions.

The benefits discussed in the enclosed Annexure are neither exhaustive nor conclusive. The contents stated in the Annexure are based on the information and explanations obtained from the Company. This statement is only intended to provide general information to guide the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to specific tax implications arising out of their participation in the Offer. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement.

We do not express any opinion or provide any assurance whether:

- The Company or its shareholders will continue to obtain these benefits in future;
- The conditions prescribed for availing the benefits have been/would be met;

We hereby give our consent to include this report and the enclosed Annexure regarding the special tax benefits available to the Company, and the shareholders of the Company in the DRHP for the Offer, which the Updater Services Limited intends to submit to the Securities and Exchange Board of India and the stock exchanges (National Stock Exchange of India Limited and BSE Limited) where the equity shares of Updater Services Limited are proposed to be listed.

LIMITATIONS

Our views expressed in the enclosed Annexure are based on the facts and assumptions indicated above. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. Reliance on the Annexure is on the express understanding that we do not assume responsibility towards the investors who may or may not invest in the proposed Offer relying on the Annexure.

This statement has been prepared solely in connection with the Offer under the ICDR Regulations.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No: 117366W/W-100018)

Chandraprakash Surana R
Partner
Membership Number: 215526
UDIN: 23215526BGXBZC8653

Place: Chennai
Date: March 28, 2023

ANNEXURE TO THE STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO MATRIX BUSINESS SERVICES INDIA PRIVATE LIMITED ("THE COMPANY") AND THE COMPANY'S SHAREHOLDERS

The information provided below sets out the possible special tax benefits available to the Company, and the shareholders of the Company in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of equity shares of the Company, under the current tax laws presently in force. Several of these benefits are dependent on the shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence the ability of the shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which, based on commercial imperatives a shareholder faces, may or may not choose to fulfill. The following overview is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to specific tax implications arising out of their participation in the issue. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement. The statement below covers only relevant special direct and indirect tax law benefits and does not cover benefits under any other law.

INVESTORS ARE ADVISED TO CONSULT THEIR OWN TAX CONSULTANT WITH RESPECT TO THE TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN THEIR PARTICULAR SITUATION.

STATEMENT OF POSSIBLE SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE COMPANY, AND TO THE SHAREHOLDERS OF THE COMPANY

Under the Income Tax Act, 1961 (the Act)

I. Special tax benefits available to the Company

A. Section 115BAA, as inserted vide The Taxation Laws (Amendment) Act, 2019, provides that domestic company can opt for a rate of 22% (plus applicable surcharge and education cess) for the financial year 2019-20 onwards, provided the total income of the company is computed without claiming certain specified deductions or set off of losses, depreciation etc., and claiming depreciation determined in the prescribed manner. In case a company opts for section 115BAA, provisions of Minimum Alternate Tax would not be applicable and earlier year MAT credit will not be available for set–off. The options needs to be exercised on or before the due date of filing the income tax return. Option once exercised, cannot be subsequently withdrawn for the same or any other tax year. Further, if the conditions mentioned in section 115BAA are not satisfied in any year, the option exercised shall become invalid in respect of such year and subsequent years, and the other provisions of the Act shall apply as if the option under section 115BAA had not been exercised.

The company has represented to us that they have opted for section 115BAA of the Act for the Assessment Year 2020-21 onwards.

B. Deductions from Gross Total Income

Deduction in respect of employment of new employees:

Subject to the fulfillment of prescribed conditions, the Company is entitled to claim deduction of an amount equal to thirty per cent of additional employee cost (relating to specified category of employees) incurred in the course of business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided under section 80JJAA of the Act.

Deduction in respect of inter-corporate dividends – Section 80M of the Act

Up to 31st March 2020, any dividend paid to a shareholder by a company was liable to Dividend Distribution Tax ("DDT"), and the recipient shareholder was exempt from tax. Pursuant to the amendment made by the Finance Act, 2020, DDT stands abolished and dividend received by a shareholder on or after 1st April 2020 is liable to tax in the hands of the shareholder, other than dividend on which tax under section 115-O has been paid. The company is required to deduct Tax at Source ("TDS") at applicable rate specified under the Act read with applicable Double Taxation Avoidance Agreement (if any).

With respect to a shareholder, which is a domestic company as defined in section 2(22A) of the Income Tax Act, 1961, a new section 80M has been inserted in the Act to remove the cascading effect of taxes on inter-corporate dividends during FY 2020-21 and thereafter. The section inter-alia provides that where the gross total income of a domestic company in any previous year includes any income by way of dividends from any other domestic company or a foreign company or a business trust, there shall, in accordance with and subject to the provisions of this section, be allowed in computing the total income of such domestic company, a deduction of an amount equal to so much of the amount of income by way of dividends received from such other domestic company or foreign company or business trust as does not exceed the amount of dividend distributed by it on or before the due date. The "due date" means the date one month prior to the date for furnishing the return of income under sub-section (1) of section 139 of the Act.

II. Special direct tax benefits available to Shareholders

There are no special tax benefits available to the shareholders under the provisions of the Income-tax Act, 1961.

Notes:

1. The benefits in I and II above are as per the current tax law as amended by the Finance Act, 2022.

2. This statement does not discuss any tax consequences in the country outside India of an investment in the shares. The shareholders / investors in the country outside India are advised to consult their own professional advisors regarding possible Income tax consequences that apply to them.

3. Surcharge is to be levied on domestic companies at the rate of 7% where the income exceeds INR one crore but does not exceed INR ten crores and at the rate of 12% where the income exceeds INR ten crores.

4. If the company opts for concessional income tax rate under section 115BAA of the Act, surcharge shall be levied at the rate of 10% irrespective of the amount of total income.

5. Health and Education Cess @ 4% on the tax and surcharge is payable by all category of tax payers.

6. If the company opts for concessional tax rate under section 115BAA of the Act it will not be allowed to claim any of the following deductions:

   - Deduction under the provisions of section 10AA (deduction for units in Special Economic Zone)
   - Deduction under clause (iia) of sub-section (1) of section 32 (Additional depreciation)
   - Deduction under section 32AD or section 33AB or section 33ABA (Investment allowance in backward areas, Investment deposit account, site restoration fund)
   - Deduction under sub-clause (ii) or sub-clause (iia) or sub-clause (iii) of sub-section (1) or sub-section (2AA) or sub-section (2AB) of section 35 (Expenditure on scientific research)
   - Deduction under section 35AD or section 35CCC (Deduction for specified business, agricultural extension project)
   - Deduction under section 35CCD (Expenditure on skill development)
   - Deduction under any provisions of Chapter VI-A other than the provisions of section 80JJAA and section 80M;
   - No set off of any loss carried forward or depreciation from any earlier assessment year, if such loss or depreciation is attributable to any of the deductions referred above;
   - No set off of any loss or allowance for unabsorbed depreciation deemed so under section 72A, if such loss or depreciation is attributable to any of the deductions referred above.

7. Further, it is also clarified in section 115JB(5A) that if the Company opts for concessional income tax rate under section 115BAA, the provisions of section 115JB regarding Minimum Alternate Tax (MAT) are not applicable. Further, such Company will not be entitled to claim tax credit relating to MAT.

8. The above statement of possible direct tax benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.

STATEMENT OF SPECIAL POSSIBLE INDIRECT TAX BENEFITS AVAILABLE TO THE COMPANY, AND THE SHAREHOLDERS OF THE COMPANY

I. Special tax benefits available to the Company

There are no special tax benefits available to the company under the provisions of the GST Act, 2017.

II. Special tax benefits available to Shareholders

There are no special tax benefits available to the shareholders under the provisions of the GST Act, 2017.

Notes:

The above statement of possible indirect tax benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences.

SECTION VI - ABOUT OUR COMPANY

INDUSTRY OVERVIEW

*Unless otherwise indicated, the information in this section is obtained or extracted from a report dated March- 27, 2023 and titled "Assessment of Integrated Facilities Management Market in India" (the "**F&S Report**") that has been prepared by Frost & Sullivan, and which has been exclusively commissioned and paid for by our Company for an agreed fee, exclusively for the purpose of the Offer. Frost & Sullivan is not in any way related to our Company, our Directors or Promoters. The F&S Report is available on the website of our Company at www.Uds.in/Investor-Relations/Industry_Report. The data may have been re-classified by us for the purposes of presentation. Also see "Risk Factors – This Draft Red Herring Prospectus contains information from an industry report which we have commissioned and paid for, from Frost & Sullivan. There can be no assurance that such third -party statistical, financial and other industry information is either complete or accurate." on page 59.*

Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. These sources are indicated at all relevant places within this section Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction. Unless otherwise indicated, financial, operational, industry and other related information derived from the F&S Report and included herein with respect to any particular year refers to such information for the relevant calendar year.

The F&S Report is subject to the following disclaimer:

"*'Assessment of Integrated Facilities Management Market in India' has been prepared for the proposed initial public offering of equity shares by Updater Services Limited (the "Company").*

This study has been undertaken through extensive primary and secondary research, which involves discussing the status of the industry with leading market participants and experts, and compiling inputs from publicly available sources, including official publications and research reports. Estimates provided by Frost & Sullivan (India) Private Limited ("Frost & Sullivan") and its assumptions are based on varying levels of quantitative and qualitative analyses, including industry journals, company reports and information in the public domain.

Frost & Sullivan has prepared this study in an independent and objective manner, and it has taken all reasonable care to ensure its accuracy and completeness. We believe that this study presents a true and fair view of the industry within the limitations of, among others, secondary statistics and primary research, and it does not purport to be exhaustive. The results that can be or are derived from these findings are based on certain assumptions and parameters/conditions. As such, a blanket, generic use of the derived results or the methodology is not encouraged.

Forecasts, estimates, predictions, and other forward-looking statements contained in this report are inherently uncertain because of changes in factors underlying their assumptions, or events or combinations of events that cannot be reasonably foreseen. Actual results and future events could differ materially from such forecasts, estimates, predictions, or such statements. In making any decision regarding the transaction, the recipient should conduct its own investigation and analysis of all facts and information contained in the prospectus of which this report is a part and the recipient must rely on its own examination and the terms of the transaction, as and when discussed. The recipients should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction."

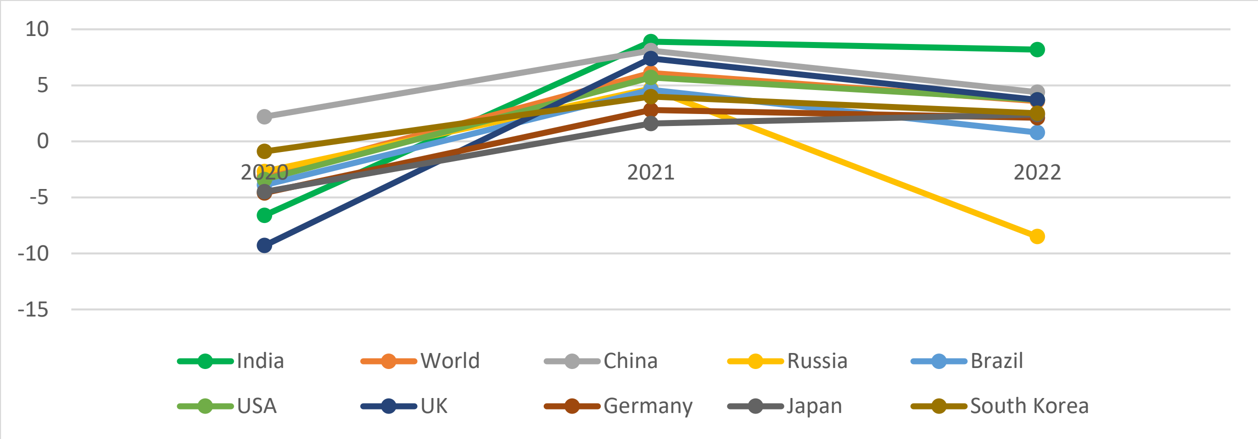
MACROECONOMIC OVERVIEW OF INDIA

Gross Domestic Product ("GDP") Growth and Outlook:

India has emerged as the world's fastest-growing major economy with its robust democracy and strong partnerships and is anticipated to be one of the top three economic powers in the next 10-15 years. Real GDP at current prices is ₹

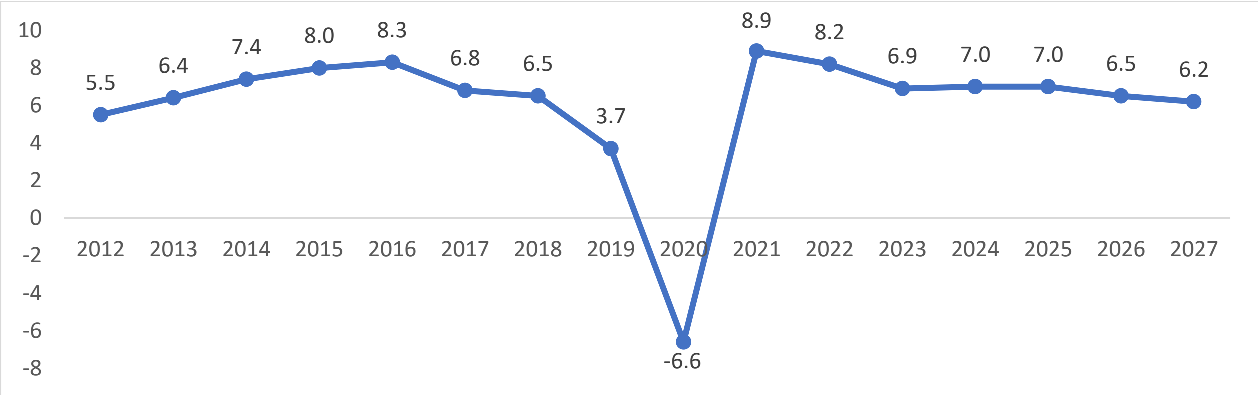
147.72 lakh crore in the Financial Year ended March 31, 2022 as per the provisional estimates of annual national income for the Financial Year ended March 31, 2022. The Indian GDP growth rate posted a V-shaped recovery in calendar year 2021 and rose to 8.9% as compared to -6.6% in calendar year 2020.

Exhibit: Real GDP Forecast, Select Countries- Global, CY2020 – CY2022 (Annual percent change)



Source: IMF

Exhibit: Real GDP Forecast, India, CY2012 – CY2027 (Percentage)



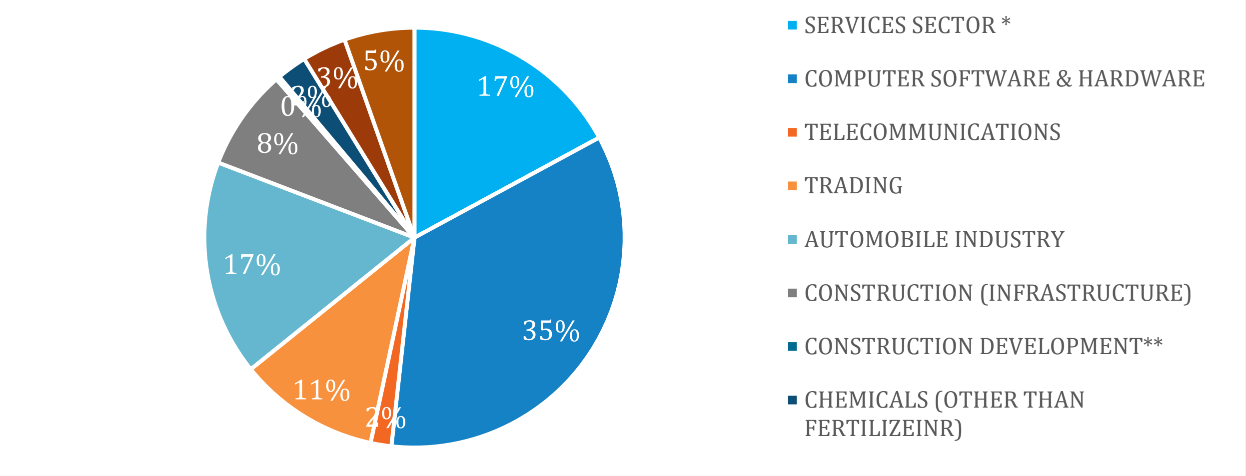
Source: IMF

Growth Drivers of Indian Economy:

Services Sector

The Services sector is the major contributor to the growth of the Indian economy. The services industry not only accounts for the majority of India's GDP, but it also attracts significant foreign investment, contributes significantly to export, and employs many people. The key segments contributing to the growth of the Services sector are IT and E-commerce.

Exhibit: Total FDI Equity Inflows, India, April 2021 – March 2022



** Services Sector includes financial, banking, insurance, non-financial/business, outsourcing, R&D, courier, technology, testing and analysis and others*

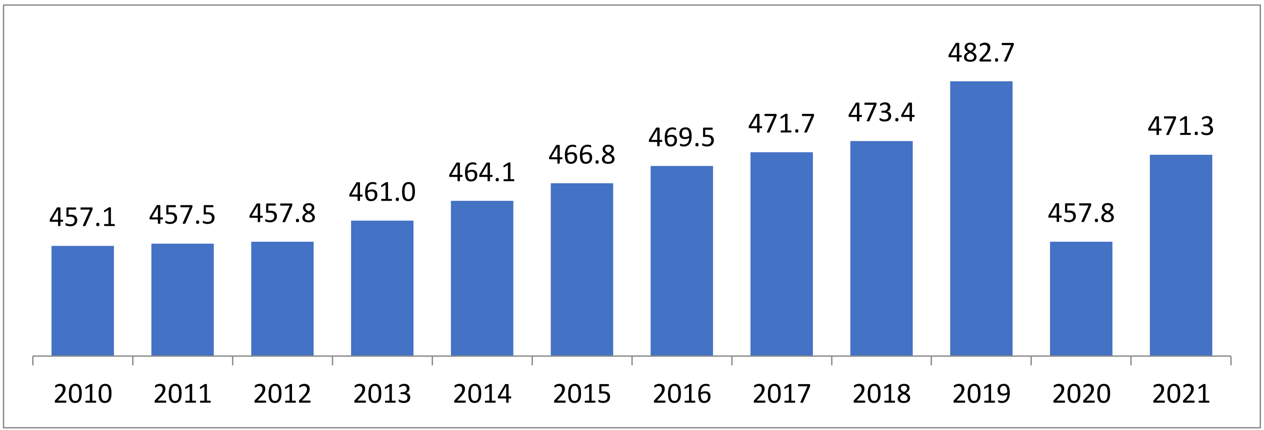
*** Construction development includes townships, housing, built-up infrastructure and construction development projects*

Source: Department of Industrial Policy and Promotion

Labour Force in India:

The total labour force in 2010 was at 457.1 million and it reached 471.3 million in 2021, registering a CAGR of 0.3% from 2010 – 2021.

Exhibit: Total Labour Force, India, 2010 – 2021 (Million)



Source: World Bank

Labour Laws and Reforms:

Labour is part of the concurrent legislative list in India where Central and State Governments have the requisite authority to legislate and enforce the acts related to the same. India currently has over 40 national (federal) labour acts and rules and close to 100 state laws. As per the Ministry of Labour and Employment, there are several laws aimed at promoting labour welfare, industrial peace, social justice, and overall economic development.

Exhibit: Labour Laws, India

Acts and Rules	Number of Acts and Rules
Laws regarding Industrial Relations	4

Acts and Rules	Number of Acts and Rules
Laws related to Industrial Safety & Health	3
Laws aimed at Child & Women Labour	3
Laws focusing on Social Security	8
Laws Targeting Labour Welfare	15
Laws related to Employment & Training	2
Laws regarding Wages	7
TOTAL	**42**

Source: Ministry of Labour and Employment

With the objective of simplifying and modernizing the labour regulations, the central government has proposed to replace 29 existing laws into New Labour Codes 2020. Indian President has given consent to three labour codes namely The Code on Social Security 2020, The Industrial Relations Code 2020 and The Occupational Safety, Health, and Working Conditions Code, 2020.

Highlights of the Code on Wages, 2019:

- The Code replaces the four laws – the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965, and the Equal Remuneration Act, 1976.
- Uniform definition for the term "wages"
- Central government would fix a "floor wage" taking into consideration the living standards of workers. Minimum wages set by the central and state governments should be higher than the floor wages.
- The central or state government would fix the number of hours that constitute a normal working day. In case employees work beyond these hours, then they will be entitled to overtime wage, which must be at least twice the normal rate of wages.
- For all employees, whose wages do not exceed a certain monthly amount that is notified by the central or state government will be entitled to an annual bonus.

Highlights of the Code on Social Security, 2020:

- Extends social security benefits to all employees in organized, unorganized or any other sectors. This includes fixed term employees, inter-state migrant workers, film industry workers, construction workers, gig workers and platform workers.
- A minimum of 1% and maximum of 2% cess to be levied and collected for the purpose of social security and welfare of building workers.

Such reforms undertaken by the central government is expected to revolutionize the labour market in India and will influence the shift from un-organized to organized business environment.

Minimum Wages in India:

In 1948, the Indian parliament passed the Minimum Wage Act, which fixes the minimum wage for specific 'scheduled employment' categories, and it applies to 47 central sector establishments and includes both agriculture and non-agriculture workers in the country.

Exhibit: Minimum Wages by Skill Set (Construction Sector), India, 2013 and 2021

Rates of wages per day (in Rupees)

Category	2013			2021		
	Class A Towns	Class B Towns	Class C Towns	Class A Towns	Class B Towns	Class C Towns
Un-skilled	297	246	198	711	595	477
Semi-skilled	328	279	231	788	671	557
Skilled	361	328	279	866	788	671
Highly skilled	393	361	328	940	866	788

Source: Ministry of Labour and Employment

INTEGRATED FACILITIES MANAGEMENT MARKET ANALYSIS

IFM services can be broadly classified and defined as below:

- **Soft Services:** This includes Housekeeping/ cleaning/ janitorial, Disinfection & Sanitation, Landscaping & Gardening and Pest control services. More than one or all the services are combined in a Soft Services contract.

- **Hard Services/ Engineering Services:** Heating Ventilation and Air Conditioning (HVAC) maintenance, fire safety systems, Mechanical, Electrical, Plumbing (MEP) maintenance and Green Building Services (energy management, waste management etc.) and other services such as lighting systems.

- **Production Support Services (PSS):** This is defined as supplying the workforce to the manufacturing companies for production support, material handling, maintenance, utilities etc.

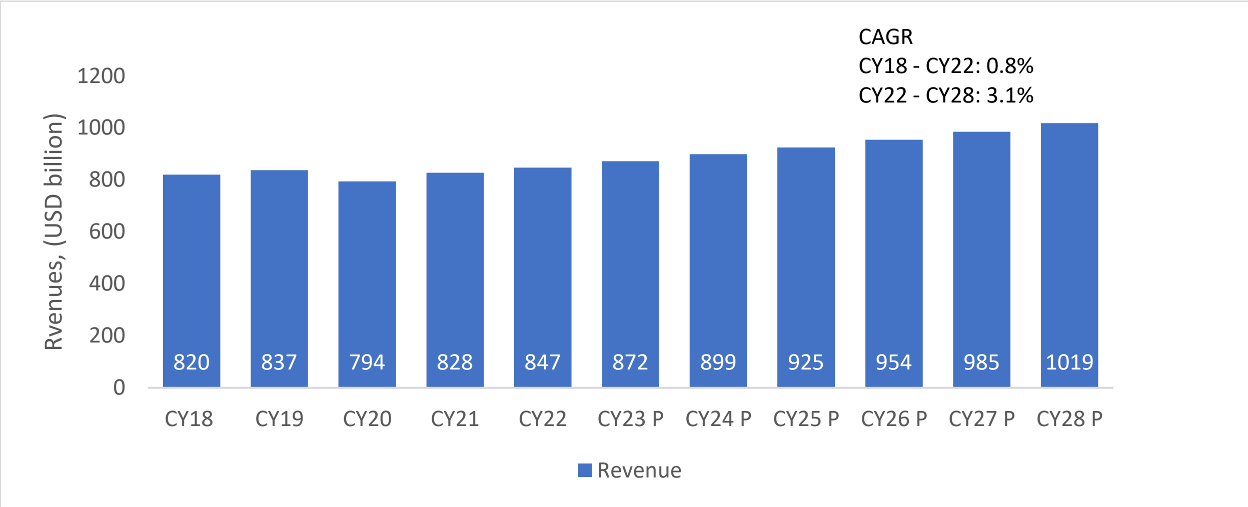
- **Hygiene Services:** Hygiene Services refers to providing products and solutions such as air fresheners, sanitizers, washroom hygiene solutions including feminine hygiene units such as sanitary pad vending machines and sanitary pad disposal bins and bin liners, etc.

Global Facility Management Market Overview:

The global Facility Management (FM) market is witnessing a major transformation driven by technology innovation, new business models, emerging value propositions, competitive disruption, and new service offerings as value propositions are shifting to service outcomes, user experience, and business productivity.

Outsourcing is evolving rapidly across the world; in the past decade, the main objective of outsourcing was cost optimization but today organizations want to outsource FM services to free-up internal resources to deliver strategic value.

Exhibit: Outsourced FM Market Revenue Trend, Global, 2018 – 2028



Source: Frost & Sullivan Analysis

The global FM market is estimated at USD 828 billion in 2021, registering a growth of 4.3% from 2020. Asia is the largest FM market with a share of 33% of the total market followed by North America and Europe.

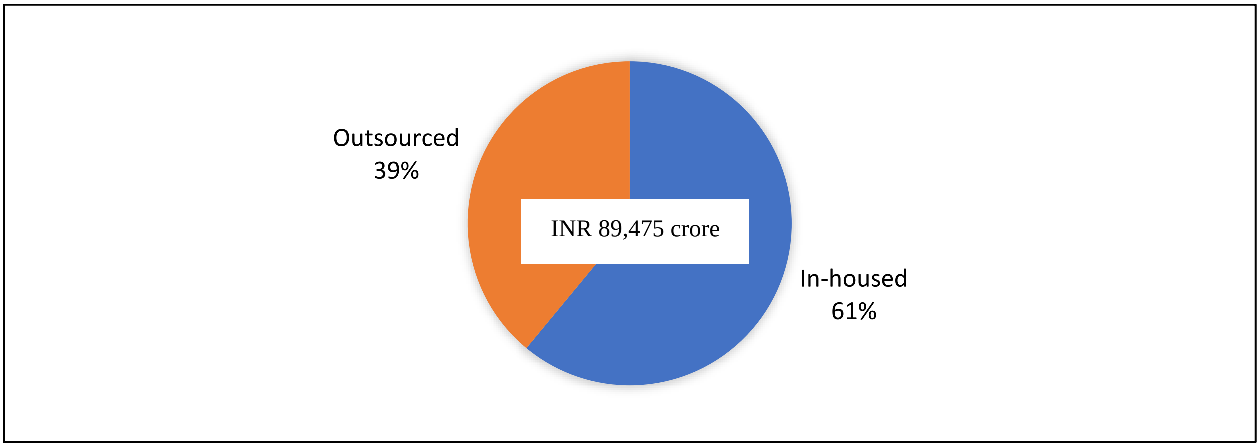
Asia is the largest FM market and is highly diverse. While Australia, the most developed market in the region for both FM and IFM, has reached some degree of maturity, other markets, including China and India, are still in a stage of infancy and will grow steadily and become more competitive. The low penetration of FM services markets in many of Asia's fast-growing economies indicates that immense potential exists for market participants to grow and develop, as outsourcing becomes more commonplace in the next 10 years.

Indian IFM Market Analysis:

IFM market in India has been growing steadily over the last decade and is set to witness significant growth momentum over the next 5 years.

The total IFM market in India in the Financial Year ended March 31, 2022 is valued at ₹ 89,475 crore and around 39% of this is outsourced to 3rd party companies. Between the Financial Year ended March 31, 2018 and the Financial Year ended March 31, 2022, the outsourced Indian IFM market grew at a CAGR of 8.4%. In the Financial Year ended March 31, 2022 the outsourced IFM market was estimated to be worth ₹ 34,550 crores.

Exhibit: IFM Market: In-house versus Outsourcing, India, Financial Year ended March 31, 2022

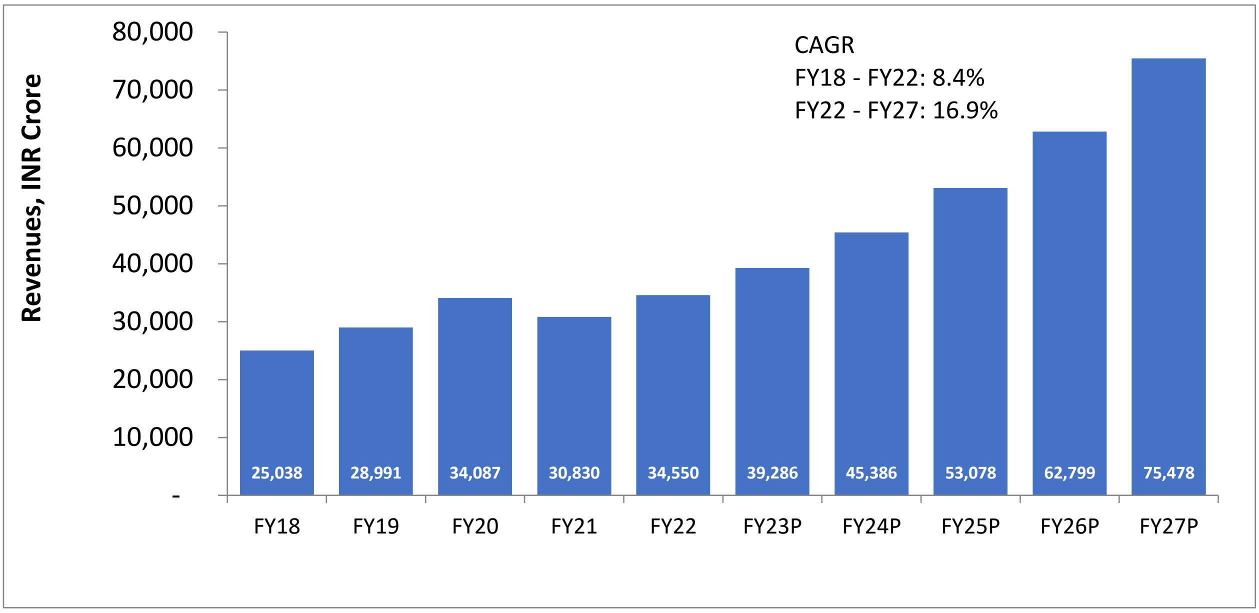


Source: Frost & Sullivan Analysis

The market revenues declined in the Financial Year ended March 31, 2021 due to the global pandemic and then recovered bulk of it in the Financial Year ended March 31, 2022.

The demand for IFM services has increased as people's preferences for a safe, clean, and secure environment have grown. The government's plan to develop 100 smart cities will result in a surge in infrastructure creation. The Union Budget 2022 allocated ₹ 14,100 crore for the 'Urban Rejuvenation Mission'—Atal Mission for Rejuvenation and Urban Transformation 'AMRUT' and Smart Cities Mission. Given the current expansion and increase in investments in IT and IteS and BFSI segments, the demand for professional IFM services is increasing, IT sector is shifting to more personalized/ customized services utilizing both Hard and Soft FM services. Investments in other segments such as healthcare and retail are also propelling the demand for IFM services.

Outsourced IFM Market: Historic and Forecast Revenue Trend, FY 2018 – FY 2027, India



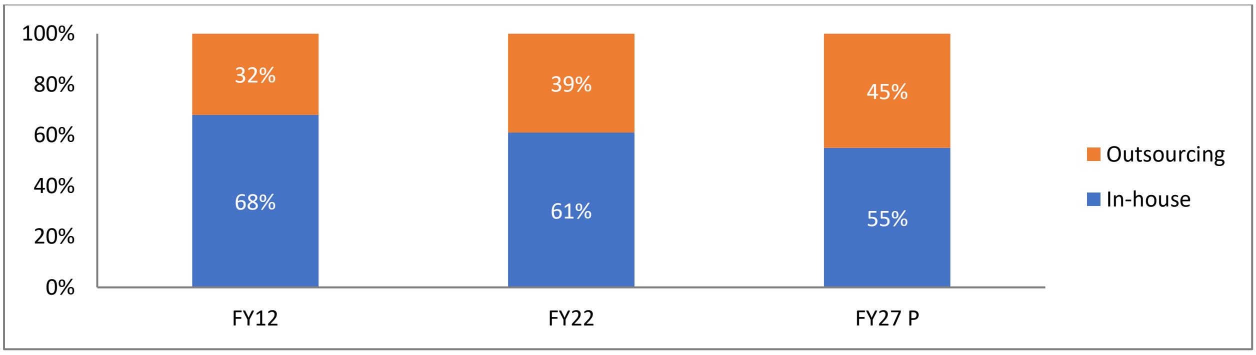
Source: Frost & Sullivan Analysis

The market is now shifting from single service contract model to integrated services model which is a method of consolidating many or all the office/ building's services under one contract and management team. The intent is to streamline communication and make day-to-day operations easier to manage while improving the building performance.

Outsourced versus In-house IFM Services:

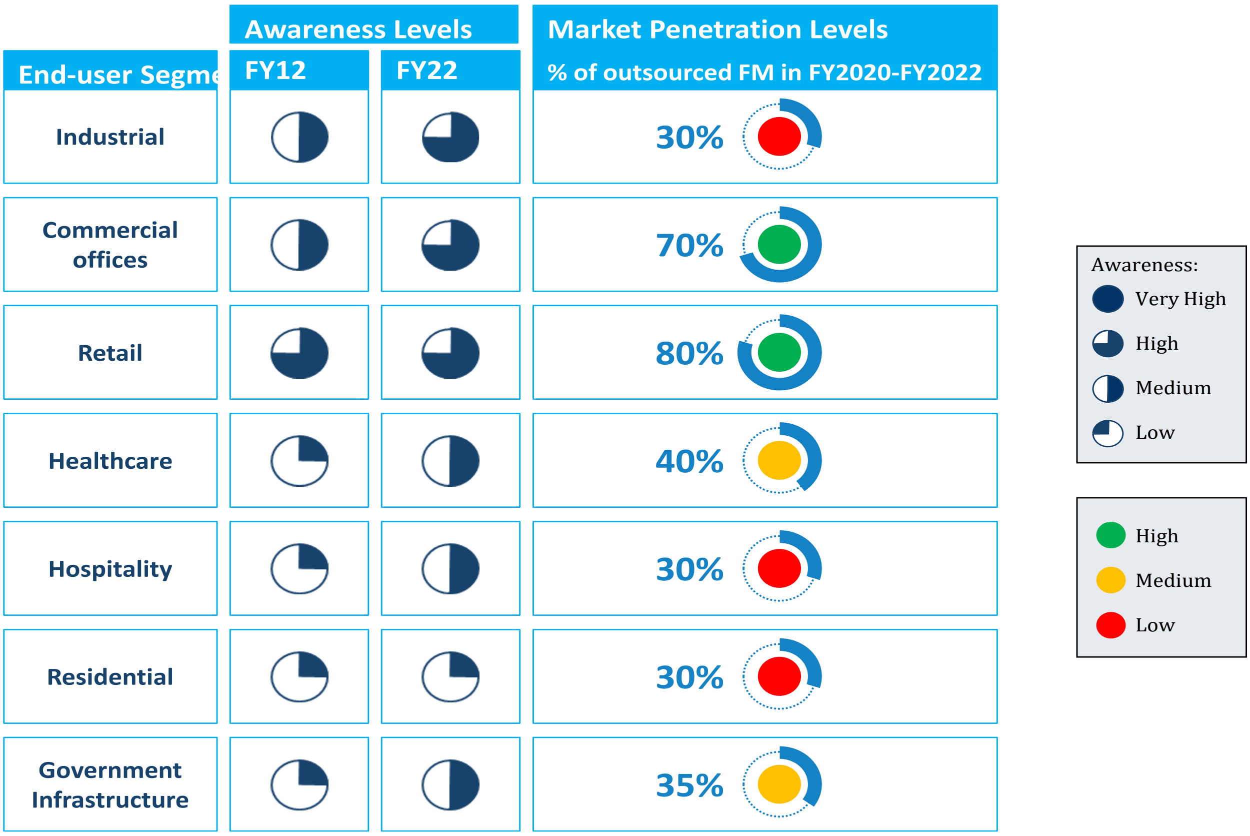
The outsourced IFM market accounts for 39% of the total market and is expected to increase over the forecast period.

Exhibit: IFM Market: Outsourcing Trends, India, Financial Year ended March 31, 2012, Financial Year ended March 31, 2022 and Financial Year ended March 31, 2027



Source: Frost & Sullivan Analysis

Exhibit: IFM Market: Awareness Level and Penetration Levels, India, Financial Year ended March 31, 2012 – Financial Year ended March 31, 2022



Source: Frost & Sullivan Analysis

Factors that impact outsourcing decision can be grouped into four categories of Strategy, Cost, Function and Environment.

- Strategic factors include core competencies, critical knowledge, lack of internal human resources, impact on quality and flexibility.
- Function characteristics include complexity, degree of integration, structure, and asset specificity.
- Environment functions include the internal and external environment faced by the organization.
- Cost management was the main impetus behind outsourcing building maintenance services a few years ago. But today it is much about being able to free up in-house teams from the IFM delivery while allowing them to deliver strategic value.

The most critical factors driving outsourcing are:

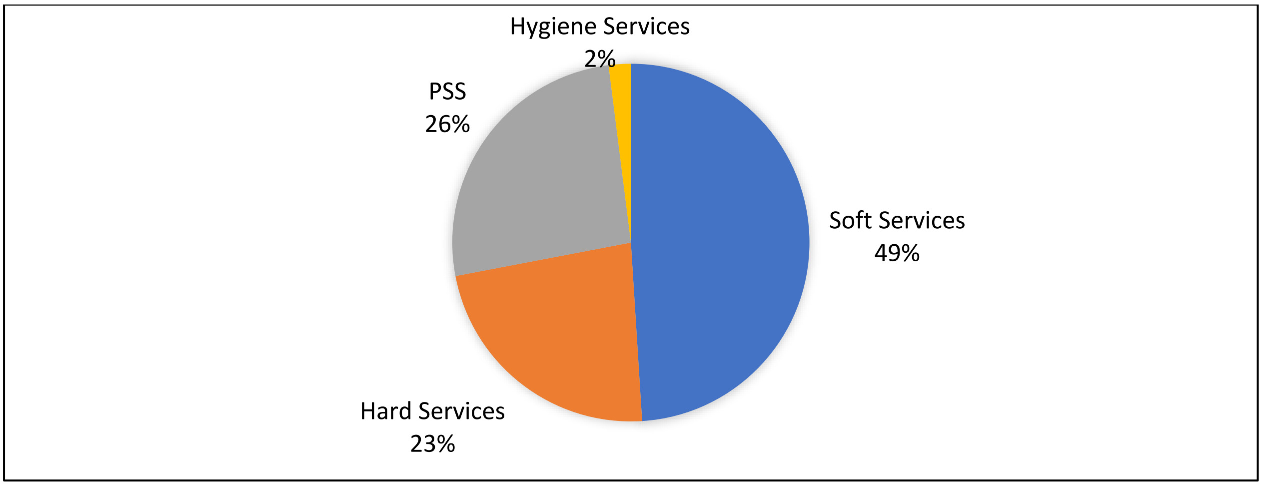
1. Reduction and control in operating costs
2. Focus on company’s core business activities/ Free internal resources for core business purposes.
3. Gain access to superior service quality.
4. Risk sharing.

Market Segmentations:

a) Segmentation by Service Types:

The IFM market is dominated by Soft Services that include Housekeeping/ cleaning/ janitorial, Pest Control, and Landscaping & Gardening etc. One service – Disinfection and Sanitation Services witnessed spike in demand during CY 2020 because of the COVID-19 pandemic and continued to hold a significant market share in the Financial Year ended March 31, 2022.

Exhibit: IFM Market: Breakdown by Service Types, India, Financial Year ended March 31, 2022

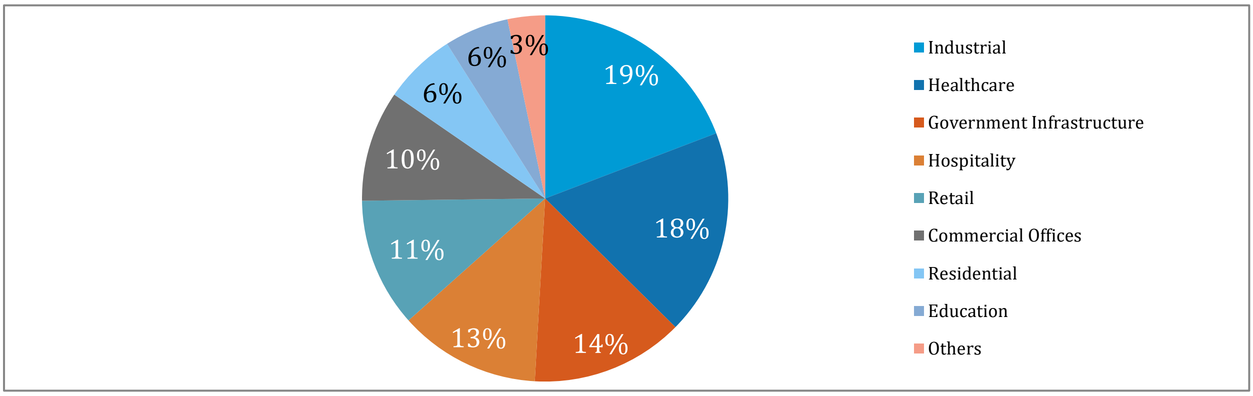


Source: Frost & Sullivan Analysis

b) End User Segmentation:

IFM services have recorded higher growth banking on increasing awareness levels, growth in outsourcing of non-core business activities and spiking demand for the realty sector. The commercial offices segment would remain key contributors to market growth, witnessing higher demand from IT/IteS and BFSI segments.

Exhibit: IFM Market: Breakdown by End User Segments, India, Financial Year ended March 31, 2022



Source: Frost & Sullivan Analysis

COVID-19 Impact on IFM Market:

COVID-19 had a severe impact on IFM market, and the market revenues witnessed a decline of 9.6% in the Financial Year ended March 31, 2021. Soft Services segment was the most impacted, registering de-growth of 14.7%, followed by Hard Services at -10.3%. Intermittent lockdowns and remote working models adopted by IT, IteS, Institutional Segment etc. driven by the pandemic resulted in lesser demand for IFM services.

Despite challenges, the pandemic also created several opportunities for FM companies. Disinfection and sanitation services were the most sought after during 2020 and 2021. The COVID-19 guidelines and protocols encompass several measures related to health and safety and this is expected to boost the demand for deep cleaning/ sanitization services in the medium-term.

Market Forecasts:

The outsourced IFM market is expected to grow at a CAGR of 16.9% from the Financial Year ended March 31, 2022 – the Financial Year ended March 31, 2027 and reach ₹ 75,478 crore.

Market Trends:

Formalization of the economy:

- India is transitioning towards a formal economy backed by the growth in good and service tax (GST) registered businesses, digital payment systems, increase in income taxpayers, 170nrolment of informal sector workers on numerous government portals like e-Shram, growth in formal banking systems among others.

- Another factor indicating the movement towards formalization is the increase in Employees Provident Fund Organisation (EPFO) beneficiaries, which highlights the growth in labour force is being employed in the formal sector that are regulatory compliant.

Industrialization:

- Growth in exports, import substitution, increasing internal demand and penetration of contract manufacturing are driving industrialization in India. Several government initiatives are supporting the growth of industrial segment in India. Major ones are:

  - *Production Linked Incentives (PLI) Schemes:* This was announced in March 2020 and later updated in November 2020 to create national manufacturing champions.

  - *Industry 4.0:* This refers to implementing big data, robotics, the internet of things (IoT), artificial intelligence, machine learning and cloud services for industrial operations. India is at a nascent stage in the adoption of Industry 4.0 and has higher growth potential in India, supported by the industrial and digital initiatives by the government.

  - *China Plus One Strategy:* This refers to the diversification of supply chains from China. The recent global pandemic brought supply chain disruptions and the Ukraine-Russia war has exacerbated it. So, the global companies are looking beyond China for supply chains. India, with is cost competitiveness could benefit from this strategy and develop its manufacturing sector.

Consolidation & Merger and Acquisitions:

- Organized players are gaining more popularity in terms of adding more service activities through mergers or tie-ups with regional players.

- Business Support Services as seen as an extension of IFM services particularly in Commercial segment. Therefore, IFM companies can be seen foraying into Support Services such as manpower supply, warehousing, and employee background verification services through acquisitions.

- After COVID-19 crisis, clients prefer organized IFM companies offering a basket of services versus small IFM companies.

Increase in Integrated Facility Management:

- Going forward, the demand for IFM Services is expected to gain momentum as it is cost effective and hassle free.

- Integration of services brings in efficiency and reliability in the market.

Energy efficiency in Facility Management:

- Modern and high-rise buildings are continuously seeking to reduce energy consumption forcing end-users to focus on efficient maintenance of these systems.

- Most IFM companies follow recycling and reusing practices. By proving to the customers that they care about the environment helps in maintaining long term relationship.

Need for stringent quality standard and compliance:

- There is stringent quality supervision is in place forcing IFM companies to adopt global best practices.

- Also, the facility managers need to comply with health and safety regulations.

Increase in the need for mechanized cleaning:

- Since there is an increase in floor space the need for mechanized cleaning is increasing gradually.

- As the structure of commercial buildings is becoming more complex, so the cleaning services with more specialized offerings.

- Mechanized cleaning can be managed remotely with a smaller number of workforces.

Key Technology Trends:

Technology is evolving at a rapid pace, and it is important for IFM companies to keep up to the evolving requirements. From wearables to artificial intelligence, new tools are emerging every day to help facility managers manage their responsibilities more effectively. The increase in internet and cloud connected devices has led to tools like mobile apps that enable FM managers to see what is happening with different systems in a building from anywhere (on- or off-site) and take actions or make changes with the press of a button.

Increased connectivity is also providing Facility Managers the ability to quickly collect and analyze all sorts of building data. This data can be used to show which equipment will need proactive maintenance and when, or to predict and manage energy consumption in various parts of a facility.

A. IoT and Big Data Analytics:

- IoT is used to connect all the sensors and devices, through building automation and to exchange and analyze information and optimize controls automatically. This would help in visibility and control over their assets.

- Big Data analytics have evolved to assist the building technologies industry in providing personalized analytics to end users.

- IoT creates opportunities for service providers to offer improved support to end users.

B. Remote Monitoring:

- Building Information Modeling (BIM) is typically used in conjunction with cloud architecture for remote monitoring.

- This approach allows contractor participants to access and review building information remotely, further increasing the collaborative potential and efficiency gains.

C. Cloud Solutions:

- Facility Management Software which are cloud-based, brings in opportunities for the remote servicing of equipment and systems enabled by connectivity and helps to access from any location/any device.

- This trend is depicting a growing shift to meet the mobile needs of facilities management.

- Workers are on the move and in order to access systems and information online, facility managers are increasingly depending on mobile applications.

D. Deployment of Artificial Intelligence (AI) and Robots in IFM:

- Assigning robots to complete complex cleaning and simple repair task helps to free up time.
- This shall enable to focus on strategic aspects of IFM such as workplace management ensuring compliance, etc.
- Still at a nascent phase, implementation of Robotic solutions on smart cleaning and security & surveillance is yet to be explored fully in India.

E. Enterprise Asset Management Systems:

These systems have all core asset management features to efficiently manage the buildings. This includes applications to schedule and monitor maintenance, leasing, capex planning, and overall customer experience.

F. Computerized Maintenance Management Systems:

This is a software that centralizes maintenance information of assets/ facilities. This helps in optimizing the utilization of resources.

G. Automated Facility Maintenance:

- Unorganized work environment leads to complex situations leads to poor management and underutilization of resources.
- Automation of the process makes everything easy to manage.
- These systems also help in automatically assigning tasks to employee and monitor his activities.
- Automation also helps in maintaining an organized work environment.

Competitive Overview:

Indian IFM market is highly fragmented with close to 270 – 300 companies operating across the country. There are around 6 large companies comprising of Tier 1 category and have their presence across geographies and control about 15.8% of the total market.

Exhibit: IFM Market: Competitive Structure, India, Financial Year ended March 31, 2022

Number of Companies	Close to 270- 300
Major Market Participants	• BVG • Updater Services India Limited (UDS) • ISS Facility Services India Private Limited • Sodexo Facilities Management Services India Pvt. Ltd. • Quess Corp • SIS Limited
Other Notable Market Participants	• OCS Group • Compass India Support Services Private Limited • Property Solution India Private Limited (PSIPL) • Krystal Integrated Services • Impression Services • Lion Services Ltd. • Rentokil (Rentokil Initial Hygiene and Rentokil PCI) Others
FM Consultants/ Managing Agents	• JLL • CBRE • Knight Frank • Cushman & Wakefield • Others

Number of Companies	Close to 270- 300
	• The above companies sub-contract FM projects to companies like BVG etc.

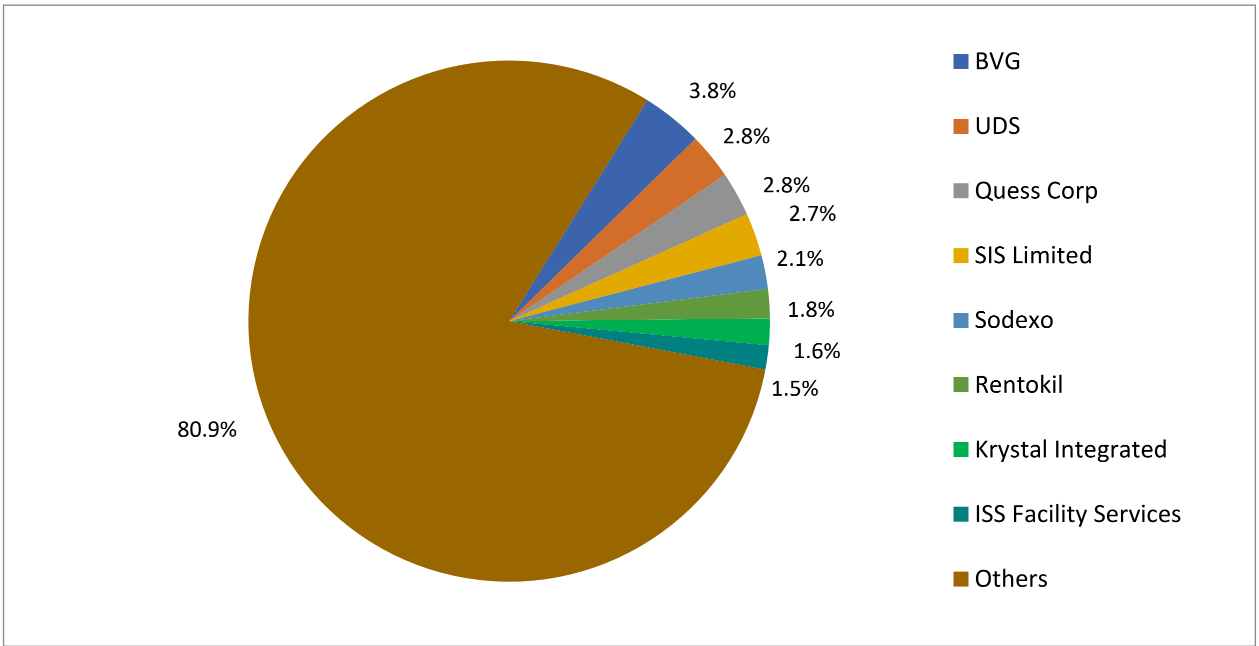
Source: Frost & Sullivan Analysis

Most of these Tier 1 FM companies have expanded their service portfolio to Business Support Services such as Mailroom Management Services, Employee Background Verification Services, Sales Enablement, Audits etc. BVG is the market leader in IFM followed by UDS in the second spot in the Financial Year ended March 31, 2022 with a share of 3.8% and 2.8% respectively.

BVG was founded in 1993 and is the leading IFM provider in India. Their other business lines include Emergency Response Services, Solid Waste Management and Special Projects. They have a pan-India presence in more than 25 states and 110 cities and serve more than 1,000 sites. The company focuses on a wide range of end user segments such as automotive, healthcare, banks, chemicals, pharmaceuticals, educational, and government. BVG is a key service provider to government facilities such as Rashtrapati Bhavan, Parliament House, income tax offices, residences of key constitutional functionaries, supreme court among others. The company has more than 60,000 employees in India. Their key strengths include quality, technology, training, and sustainability focus.

UDS is a leading, focused, and integrated business services platform in India offering IFM services and business support services (BSS) with a pan-India presence. UDS is the second largest player in the IFM market. UDS has developed a unique strategy for growth through both organic and inorganic routes. UDS has expanded its services portfolio over the years by venturing into higher margin businesses through multiple acquisitions and integrated the companies seamlessly. The company has the widest service offering in the industry, making it a unique and differentiated player in the market. UDS has witnessed strong growth over the years and is today, regarded as a leading company in many of its business areas.

Exhibit: IFM Market: Market Share Analysis, India, Financial Year ended March 31, 2022



** Others include OCS, Compass, Impressions, Genius Consultants, Adecco, and others.*
Source: Frost & Sullivan Analysis

Exhibit: IFM Market: Financial Information of Major Companies, India, FY2022

Company Name	Total Revenues, IN Crore, FY2022	EBITDA, FY2022	Return on Capital Employed, FY2022	Return on Equity, FY2022	Working Capital Days, FY2022
BVG	2,040	14.2%	26.8%	13.3%	116.5
UDS	1,492	5.8%	20.2%	16.2%	30.9
Quess Corp	13,697	4.6%	14.2%	9.9%	21.4
SIS Limited	10,084	5.2%	14.9%	15.7%	23.7
Sodexo	2,009	3.2%	12.9%	15.5%	40.5
Krystal	632	7.3%	22.8%	16.0%	58.2
ISS Facility Services	888	2.9%	10.1%	9.3%	90.1
Compass India*	835	-1.1%	-1.9%	-0.1%	101.1
Impressions	331	7.2%	17.0%	10.5%	113.6
OCS Group	272	1.5%	7.1%	5.9%	115.4

** Compass financial ratios represent Compass Group's FM business only, managed under the name Compass India Support Services*
Rentokil is not included in the above financial analysis, as they are predominantly pest control services provider and do not offer other soft services such as cleaning.

For financial ratios, FY2022 is used as this was the latest common year for which financial statements were available for all companies.
IFM revenues include Soft Services, Hard Services, PSS, and Feminine Hygiene segments.
EBITDA margin is calculated as profit before tax + finance cost + depreciation & amortization minus other income/revenue from operations.
Return on capital employed is calculated as earnings before income and tax (EBIT)/ (assets – current liabilities).
Return on equity is calculated as net income or PAT/shareholders' fund.
*Working capital days is calculated as (current assets – current liabilities) * 365/ revenue from operations.*
EBITDA, ROCE, ROE, and Working Capital Days are calculated based on overall company revenues and not from segmental revenues.
Source: Company Annual Reports

Exhibit: IFM Market Revenues of Major Companies, India, FY2022

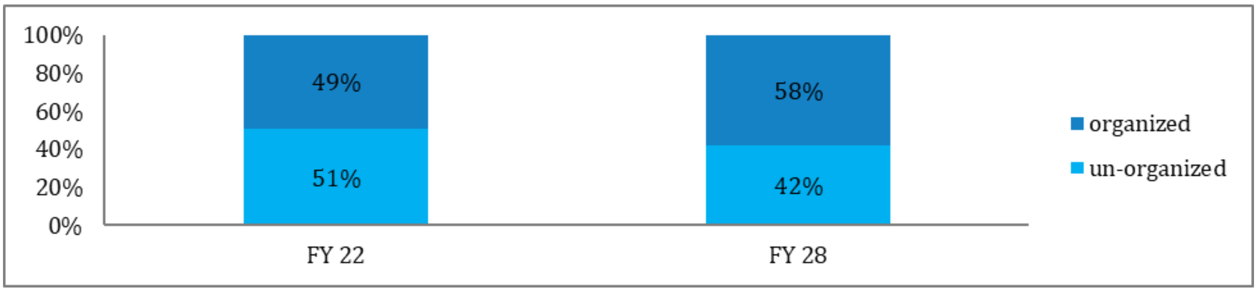
Company Name	Total Revenues, IN Crore, FY2022	Published IFM Revenues, IN Crore, FY2022	IFM Revenues as per this reports market definition, IN Crore, FY2022
BVG	2,040	NA	1,306
UDS	1,492	NA	981
Quess Corp*	13,697	1,266*	953
SIS Limited^	10,084	1,395^	921
Sodexo	2,009	NA	723
Krystal	632	NA	569
ISS Facility Services	888	NA	515
Compass India*	835	NA	359
Impressions	331	NA	297
OCS Group	272	NA	209

** Quess Corp: IFM is reported under Operating Asset Management and about 60% of this segmental revenue is IFM in FY2022.*
^SIS Limited has a separate FM business and the segmental revenues are reported in their investor presentations FY2022.

The "IFM Revenues as per this reports market definition" are the result of an analysis of published numbers (where available) and primary & secondary research methods including expert interviews with stakeholders.
IFM market definition varies from company to company and for the purpose of this report it has been defined to include revenues from Soft Services, Hard Services, PSS, and Feminine Hygiene segments only. This "IFM Revenues as per this reports market definition" therefore includes the above said four segments only and does not include business support services, energy audits, security services, emergency services, waste management and other such services.
Source: Company investor presentations, annual reports and Frost & Sullivan analysis

Market Consolidation Trends:

Exhibit: Market Segmentation by Organized versus Un-organized Segment, India, Financial Year ended March 31, 2022 and Financial Year ended March 31, 2028 (Percentage)



Source: Frost & Sullivan Analysis
Note: Organized segment consists of companies that are regulatory and tax compliant. Unorganized segment companies are not compliant to regulatory and tax requirements.

Small and regional companies face challenges in scaling up their businesses with respect to capital expenditure (CAPEX), regulatory compliance, and capabilities. The introduction of GST in India is expected to bring in transparency through amplifying the tax base where clients are expected to use formal banking channels to pay for their services and manpower requirements as opposed to the current method of payments done through cash by the un-organized players. The competition is very fierce in this category; this along with the above-mentioned factors is expected to trigger the shift of the IFM services from un-organized to organized market.

Apart from the above, the increasing demand for IFM, energy efficiency, stringent quality and compliance standards, and the increased need for mechanized cleaning, are key industry trends which will drive demand for organized IFM and as a result, is expected to consolidate the business amongst organized players. As the scope and value add of outsourced IFM increases, the demand for organized & standardized services and subsequent outsourcing of such services to organized service providers such as BVG, UDS, ISS, SIS etc. will also increase.

IFM companies have followed the in-organic route for growth in India and the market has seen several Mergers and Acquisitions. Samara Capital acquired 100% stake in Sanjay Maintenance Services Pvt. Ltd. (SMS) in 2017 and Samara Capital invested ₹ 140 crore for the acquisition.

Industry Risks and Challenges:

Lack of availability of technical and non-technical labor is one of the biggest challenges the industry is facing currently. The lack of qualified staff has increased the lead times in mobilizing resources/staff after a project has been successfully contracted. Increasing inflation and labour cost have forced many customers to replace long-term contracts with medium-term ones.

Key Challenges in the IFM market are:

- Stiff Competition: The market is highly competitive with the presence of large number of domestic and few international companies. It is also noted that some big domestic companies having principal business in real estate are entering into this market by forming a subsidiary, thereby increasing competition.

- Retention of Workforce: High attrition rate mainly because of high demand for quality manpower and competitive remuneration, is making it difficult to retain skilled workforce, especially in soft services segment.

- Perception of IFM Services: IFM services are perceived to be only traditional housekeeping services which in fact is far beyond

- Lack of Market Maturity: The Indian IFM lags in areas such as market maturity and appreciation for high standards of service delivery

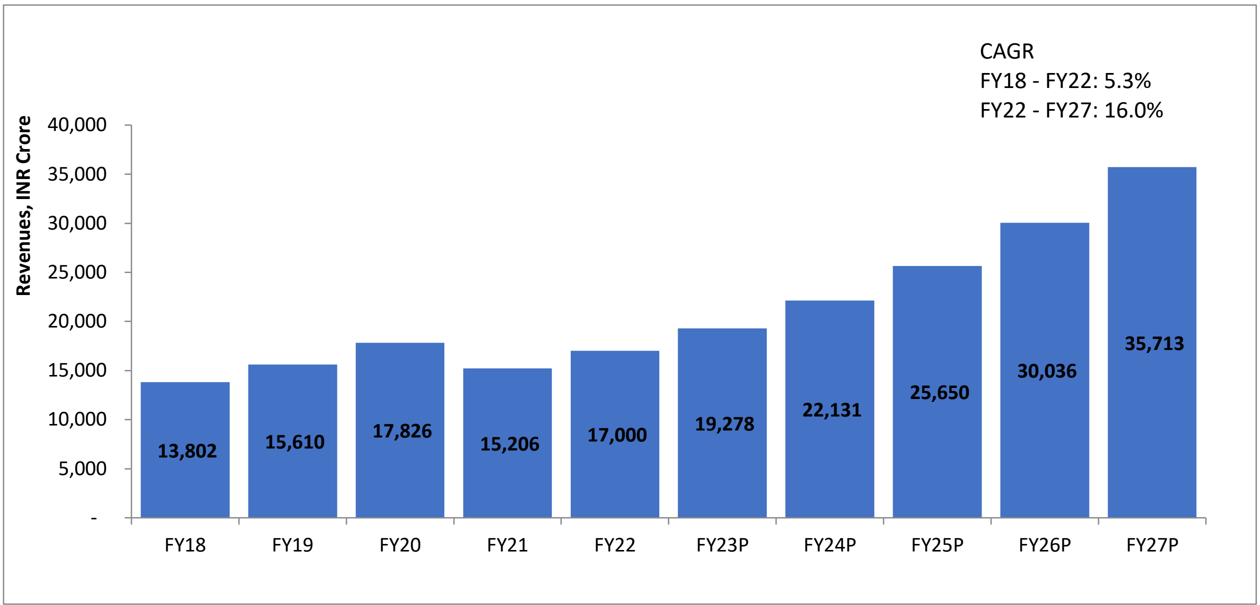
- Price Sensitivity: Customers are highly price sensitive, and this has resulted in increasing preference for FM companies who are non-compliant with regulations related to Provident Fund (PF), Employees' State Insurance Scheme (ESIC) etc.

A. Soft Services Segment Analysis

Market Size & Segmentations:

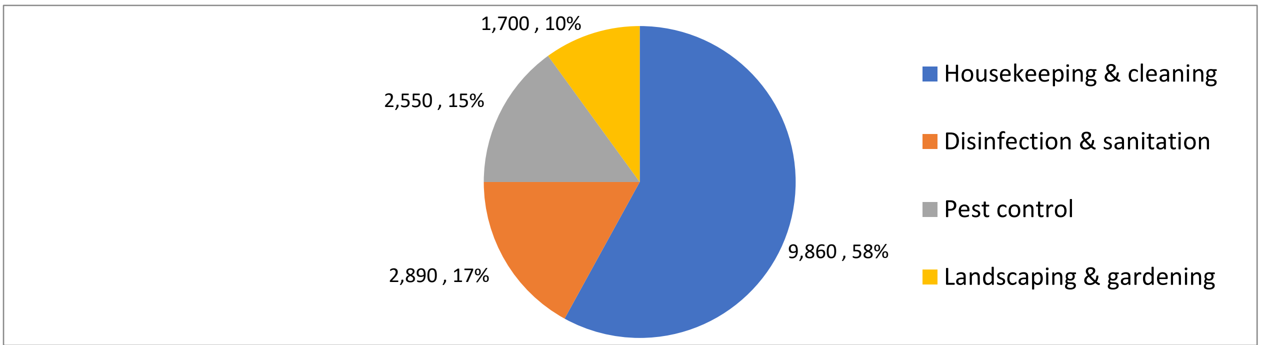
Soft Services segment was estimated at ₹ 17,000 crore in the Financial Year ended March 31, 2022 and has recorded a CAGR of 5.3% from the Financial Year ended March 31, 2018 – the Financial Year ended March 31, 2022. COVID-19 impact on the Soft Services segment is estimated to be de-growth of 14.7% in the Financial Year ended March 31, 2021.

Exhibit: Soft Services Segment Market: Historic and Forecast Revenue Trend, India, FY 2018 – FY2027



Source: Frost & Sullivan Analysis

Exhibit: Soft Services Segment Market: Breakdown by Service Types, India, Fiscal 2022 (₹ Crore)



Source: Frost & Sullivan Analysis

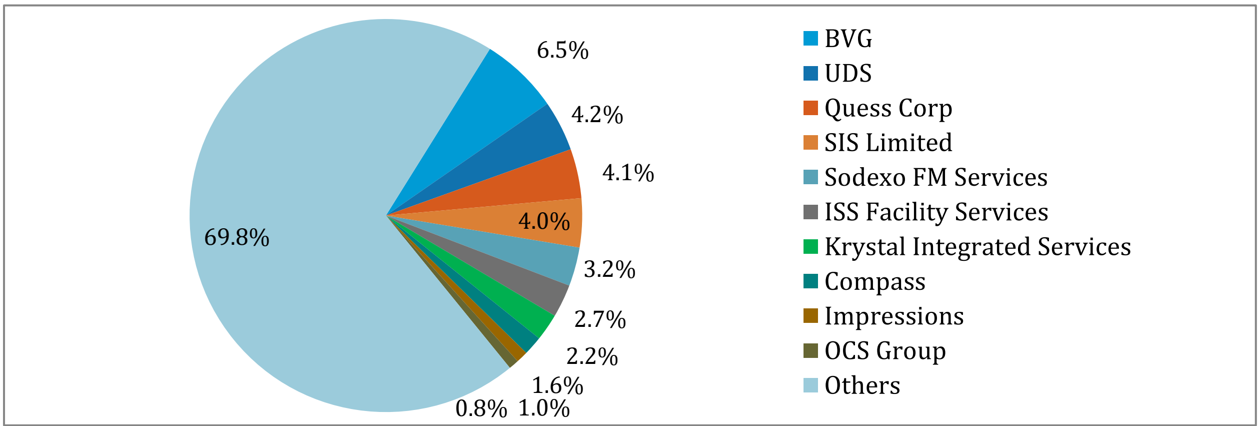
The Soft Services segment market is forecast to grow at a CAGR of 16.0% from the Financial Year ended March 31, 2022 – the Financial Year ended March 31, 2027 and reach ₹ 35,713 crore.

Competition Overview and Market Share Analysis:

Soft Services segment is also highly fragmented, similar to the IFM market. BVG is the market leader in Soft Services with a share of 6.5%. UDS is the second largest player in the Soft Services segment market with a share of 4.2% in the Financial Year ended March 31, 2022. UDS business strategy has been to focus on major end user segments that require differentiated services and focus on value rather than price. UDS is one of the leading companies providing services to healthcare segment. UDS closely competes with Quess Corp with a share of 4.1%. The other 2 companies in the order of ranking are SIS Limited and Sodexo.

Many companies came up with new service offerings related to Disinfection and Sanitation during the pandemic. For example, one of the leading IFM companies, ISS launched disinfection and hygiene solutions called 'Pure Space' which uses ATP technology to provide microbial count.

Exhibit: Soft Services Segment Market: Market Share Analysis, India, Fiscal 2022



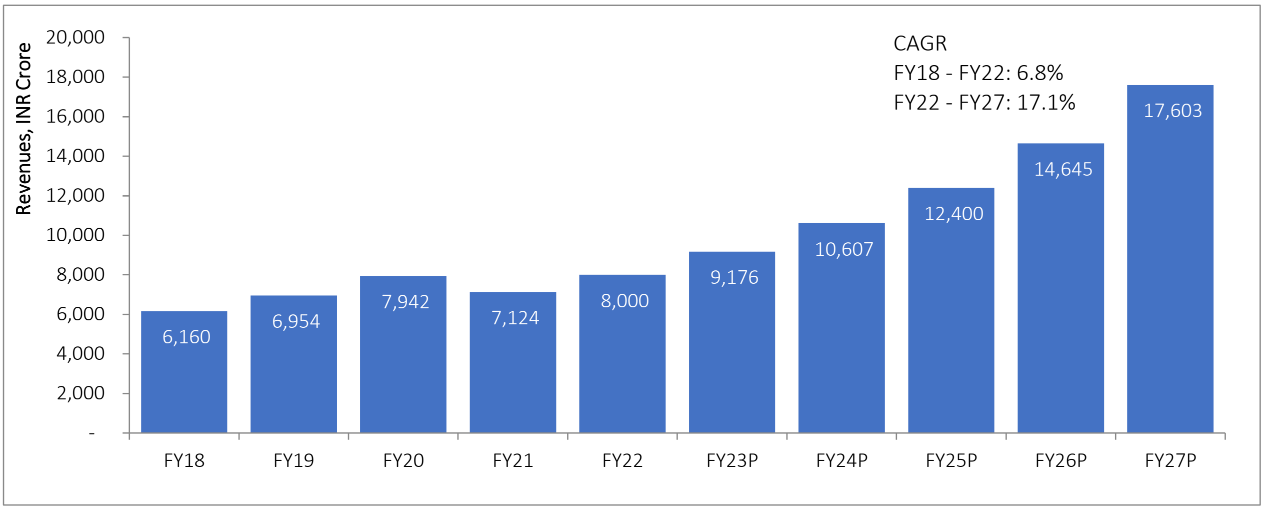
** Others include Rentokil, and others.*
Source: Frost & Sullivan Analysis

B. Hard Services / Engineering Services Segment Analysis

Market Size & Segmentations:

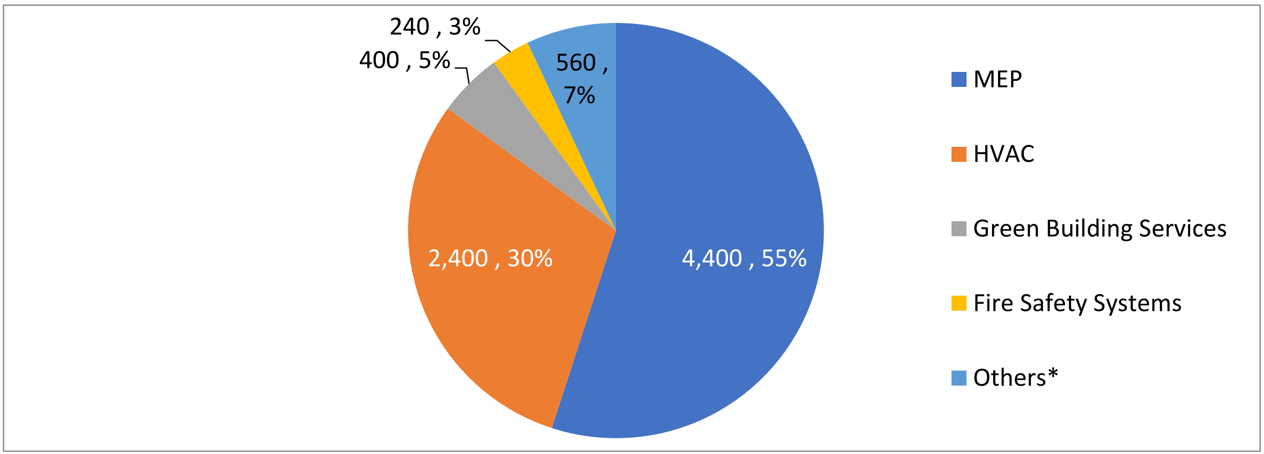
Hard Services segment was estimated at ₹ 8,000 crore in the Financial Year ended March 31, 2022 and has recorded at CAGR of 6.8% from the Financial Year ended March 31, 2018 – the Financial Year ended March 31, 2022. COVID-19 impact on the Hard Services segment is estimated to be de-growth of 10.3% in the Financial Year ended March 31, 2021.

Exhibit: Hard Services Segment Market: Historic and Forecast Revenue Trend, India, FY 2018 – 2027



Source: Frost & Sullivan Analysis

Exhibit: Hard Services Segment Market: Breakdown by Service Types, India, Fiscal 2022, ₹ Crore



** Others include Lighting Systems, Utilities etc.*

Source: Frost & Sullivan Analysis

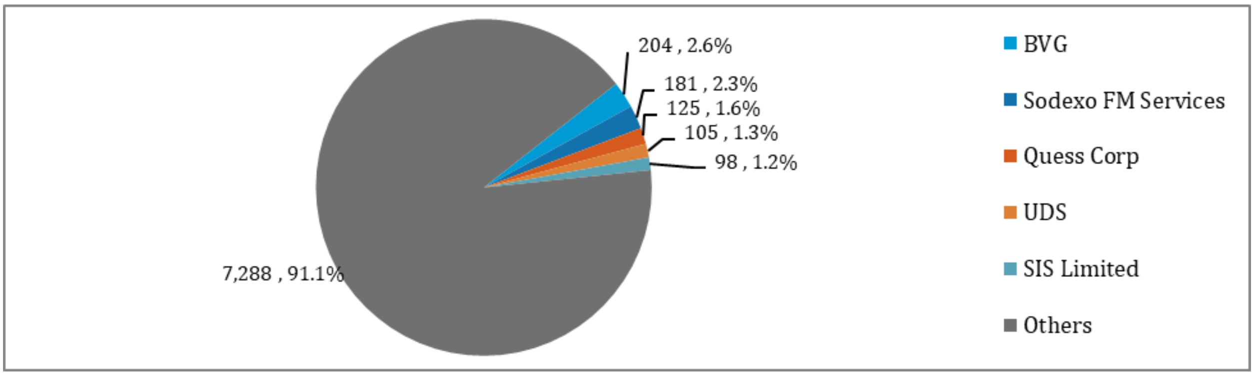
Market Forecast:

Increase in real estate investments would drive the demand for various Hard Services and the market is expected to grow at a CAGR of 17.1% from the Financial Year ended March 31, 2022 to the Financial Year ended March 31, 2027 and reach ₹ 17,603 crore.

Competition Overview and Market Share Analysis:

Like Soft Services, all the IFM companies provide Hard Services, and the top 5 companies account for 8.9% of the total Hard Services market in FY2022. BVG is the market leader in Hard Services with a share of 2.6%. The other 4 companies in order are Sodexo, Quess Corp, UDS and SIS Limited. Hard Services market is extremely fragmented than the Soft Services market in India.

Exhibit: Hard Services Segment Market: Market Share Analysis, India, Fiscal 2022, ₹ Crore



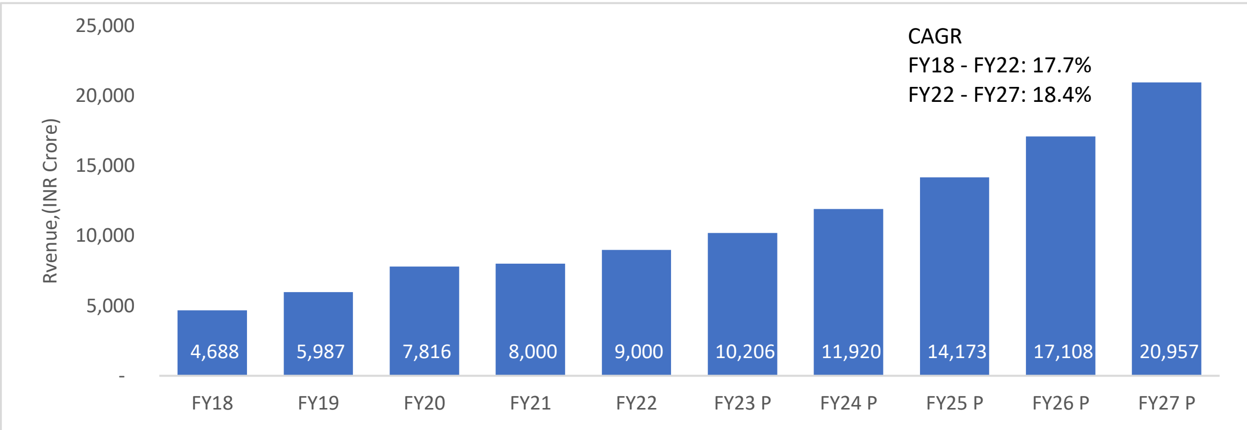
** Others include Krystal, and others.*
Source: Frost & Sullivan Analysis

C. Production Support Services (PSS) Segment Analysis

Market Size & Segmentations:

PSS segment was valued at ₹ 9,000 crore in the Financial Year ended March 31, 2022 and has recorded a CAGR of 17.7% from the Financial Year ended March 31, 2018 – the Financial Year ended March 31, 2022. COVID-19 impact on this segment is estimated to be a marginal growth of 2.4% in the Financial Year ended March 31, 2021. It is expected to grow at a CAGR of 18.4% from the Financial Year ended March 31, 2022 – the Financial Year ended March 31, 2027 and reach INR 20,957 crore.

Exhibit: PSS Segment Market: Historic and Forecast Revenue Trend, India, FY2018 – FY2027



Source: Frost & Sullivan Analysis

Automotive industry is a key demand driver for PSS in India and accounts for 15% of the total market in FY 2022. PLI scheme for the Automotive industry is expected to create 7.5 lakh new jobs over the next five years and this would benefit the Production Support Services segment over the short- to medium-term.

Market Outlook and Forecasts:

Competitive Landscape and Major Players:

The major IFM companies providing PSS include Quess Corp, UDS, Krystal Integrated Services and OCS Group. Staffing companies that provide PSS are Team lease, Randstad, Manpower, Adecco etc. The market is fragmented and more than 200 companies competing in this segment. Leading IFM company UDS, is the market leader in this extremely fragmented segment with a market share of 1.8% in the Financial Year ended March 31, 2022. UDS is one of the leading PSS providers to the automotive segment in India. UDS is closely competed by Quess Corp and Adecco with a market share of 1.5% each.

D. Hygiene Services Segment Analysis

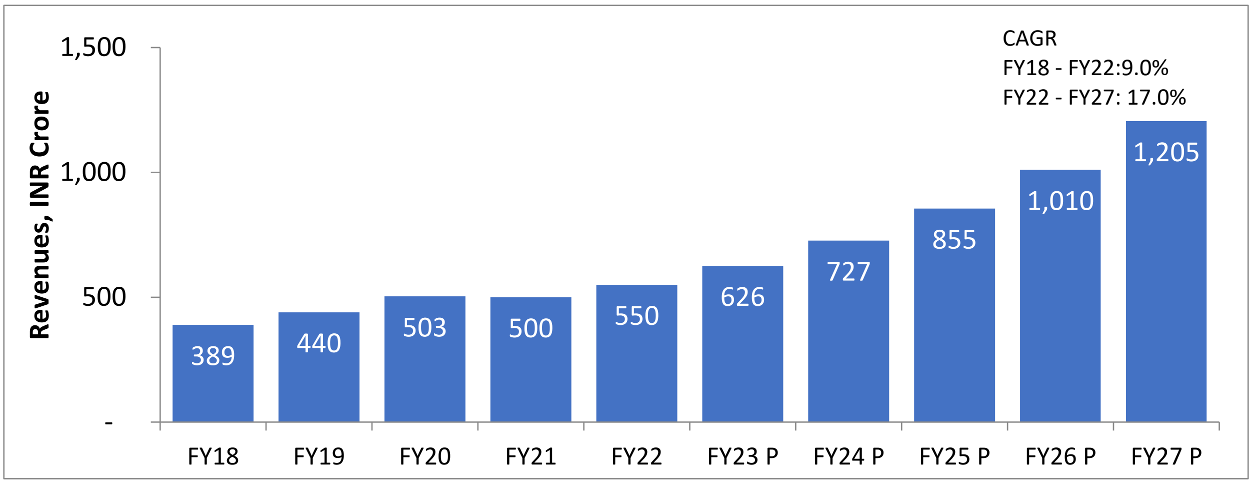
Market Overview and Growth Outlook:

Hygiene Services are gaining prominence in India because of the increasing awareness on personal hygiene, generational shift in India and availability of products on e-commerce platforms. Historically the market was offering soaps, hair care and face wash related products, and air fresheners, but now has undergone a transformation in terms of products being sold for personal hygiene, particularly for feminine hygiene.

Market Size and Forecasts:

The Hygiene Services Market comprising of air fresheners, washroom hygiene and other hygiene products is estimated at ₹ 550 crore in the Financial Year ended March 31, 2022 and is forecasted to reach ₹ 1,205 crore by the Financial Year ended March 31, 2027, registering a CAGR of 17.0% from the Financial Year ended March 31, 2022 – the Financial Year ended March 31, 2027. Feminine Hygiene Units are a system consisting of a bin and bin liners that are used for safe disposal of sanitary waste. This is a niche market segment within the Hygiene Services market and is estimated to be around ₹ 40 crore in the Financial Year ended March 31, 2022.

Exhibit: Hygiene Services Segment Market: Revenue Forecasts, India, FY2017 – FY2026



Source: Frost & Sullivan Analysis

With the anticipated increase in menstrual hygiene awareness the demand for sanitary napkins is expected to increase and this will create the demand for safe and proper disposal of it. The existing system for sanitary waste disposal is poor and causes severe environmental issues and therefore Feminine Hygiene Units are well poised to witness high growth opportunities in the coming years.

Competition Overview:

The market for Hygiene Services is highly fragmented in India. Key companies providing air fresheners in India are Dabur India, Godrej Consumer Products, Airance, Procter & Gamble among others. New product development has been a strategic approach adopted by leading companies to gain competitive advantage by tapping into niche applications.

Feminine Hygiene Units is an example of such innovation and is currently offered by very few companies such as Washroom Hygiene Concepts and Rentokil Initial India. The common business model is to install the units in end user locations and the service provider would collect the waste on a periodic basis and dispose the waste in an appropriate manner as per regulations. The bin liners are patented products, and this creates entry barriers for companies to enter this niche market. Rentokil Initial is the market leader in Feminine Hygiene Units with revenues ₹ 25 crore and a share of 62.5.0%. Washroom Hygiene Concepts was acquired by UDS in September 2019 and is the second largest player with revenues ₹ 8 crore and a market share of 20.0% in the Financial Year ended March 31, 2022.

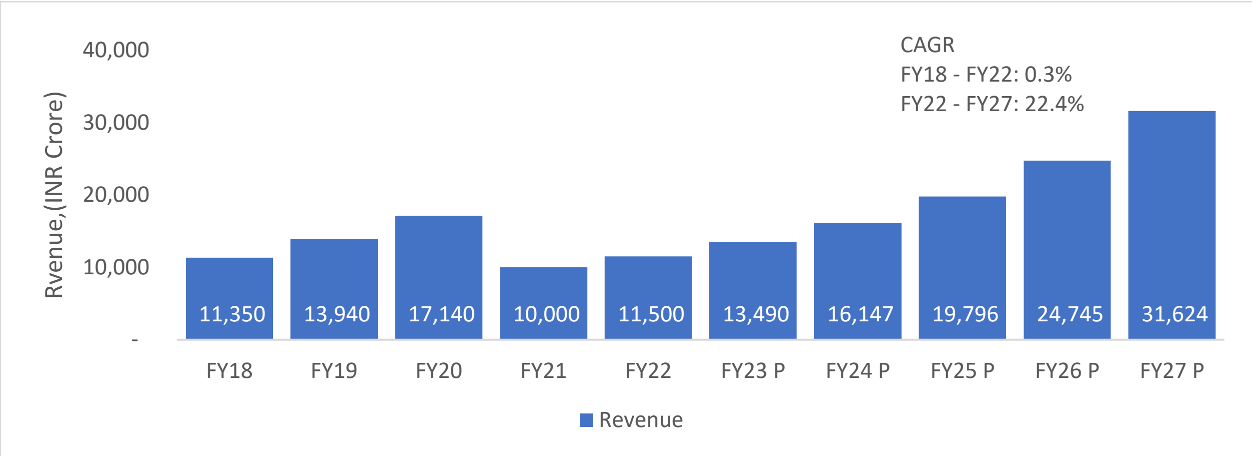
E. **Food and Catering Services Market Analysis**

Market Size and Segmentations:

Growth in the economy and rising investments in services, industry and education sector has played a crucial role in the growth of Food Services and Catering market. India's high growth trajectory has resulted in industries and offices moving to semi-urban area of cities and this has fueled the demand for on-site kitchens to serve employees who must travel long distances to reach office locations.

The Food and Catering Services market in India is estimated at ₹ 11,500 crore in the Financial Year ended March 31, 2022. The market grew at a CAGR of 0.3% from the Financial Year ended March 31, 2018 – Financial Year ended March 31, 2022. This low CAGR is due to the global pandemic and its impact on the market.

Exhibit: Food and Catering Services Market: Historic and Forecast Revenue Trend, India, FY2018 – FY2027



Source: Frost & Sullivan Analysis

Corporate Catering is the largest segment with a market share of 58% of the total market followed by Industrial Catering at 42%.

Market Trends and Forecasts:

Key market trends shaping the Food Services and Catering market are:

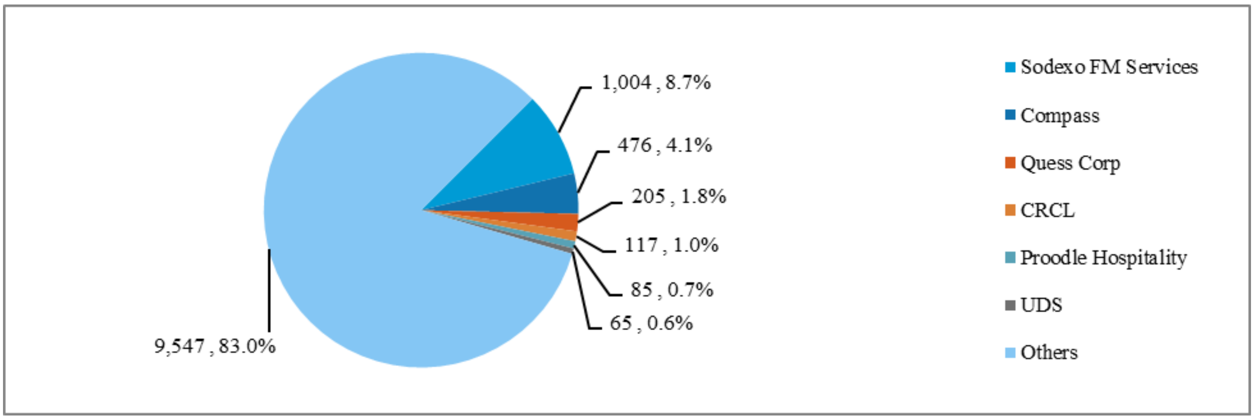
- Industrial corridors lead to increased demand for Industrial Catering
- Shifting of office spaces to semi-urban areas
- Awareness towards health will create need for customization
- Integrated service providers to boost organized sector
- Macroeconomic trends

Factors such as change in lifestyles, dual earning families that prefer eating at office premises, shift in real estate trends and increase in disposable incomes to afford a leisure lifestyle are the major demand drivers. The market is expected to reach ₹ 31,624 crore by the Financial Year ended March 31, 2027 growing at a CAGR of 22.4% from the Financial Year ended March 31, 2022 – Financial Year ended March 31, 2027. Within the Food and Catering Services market, Corporate Catering segment is expected to witness high growth which would be driven by the growth in Services segment.

Competitive Landscape and Major Players:

The Food and Catering Services market is highly fragmented with close to 40-50% of the total market is dominated by the un-organized companies and the remaining 50-60% of the market is with organized companies. Within the organized segment, Sodexo, ISS, CRCL, Proodle Hospitality, Comprehensive Support Services (CSS), ISG Hospitality Service, Compass and Quess are some of the major players. Sodexo is the market leader in this segment and has around 8.7% share of the total market in the Financial Year ended March 31, 2022, followed by Compass with a share of 4.1%. UDS is the sixth largest company pan India and has a very strong presence in South India. A few of their clients Include Daimler, Vellore Institute of Technology, Eicher Motors, JK Tyre and Industries, Delphi TVS, and Sastra University.

Exhibit: Food and Catering Services Market: Market Share Analysis, India, FY2022



** Others include ISS, OCS, Proodle Hospitality, Comprehensive Support Services (CSS), ISG Hospitality, and others.*

Source: Frost & Sullivan Analysis

F. Staffing Services Market Analysis

Staffing Services is defined as the temporary staffing focused on the needs of IT/iTeS and general staffing requirements of organizations encompassing all its functional requirements. This would include contract-based staffing only and the requirement is limited to specific projects and is short-term i.e., 1 -2 years. The market is segmented into 2 as follows:

Information Technology ("**IT**") Staffing: Temporary staffing focused on IT and iTeS industry only. Job requirements met include software programmers and developers, web designers, web planners, Program Managers, Development Project Manager, Development Leads, Test Managers, Automation Test engineers, Performance Test engineer and Manual test Engineers.

Non-IT Staffing: Temporary staffing focused on meeting general staffing requirements of organizations other than IT and iTeS and Manufacturing. This category includes White and Grey collar staff.

White collar staff includes engineering and design jobs, administrative jobs, secretarial jobs etc. Grey collar staff includes delivery boys, front-end store personnel, etc. Other segments of the Staffing Market, such as the Permanent Recruitment and Recruitment Process Outsourcing ("**RPO**") is not part of the research.

Market Overview:

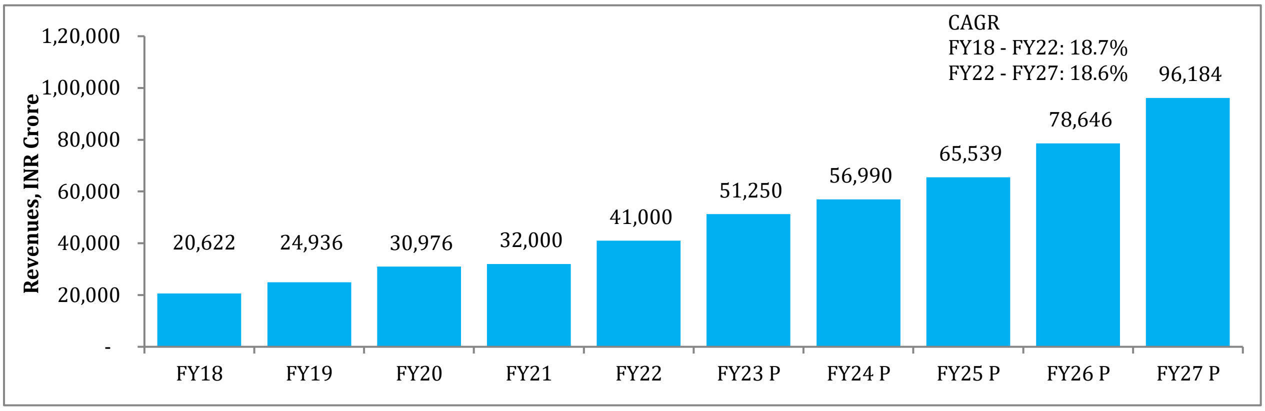
Companies in India tend to outsource activities that are non-core to their business function. Human Resources (HR) departments across manufacturing and service industries have taken to outsourcing many of their functions choosing to focus on value addition to the business instead. Some of the key functions outsourced include recruitment, payroll, benefits management, HR compliance, Time, and Attendance etc.

With the increasing market competition, margin pressures and shortage of skilled manpower, more temporary jobs are expected to be created in the long-term. There is a need to build in workforce flexibility and the ready availability of large employable workforce is expected to be a key driver for the growth in Staffing Services market in India.

India Market Size and Segmentations:

The Staffing Services market size in FY2022 is estimated at INR 41,000 crore. The market grew by a CAGR of 18.7% between FY2018 – FY2022. The Staffing Services market is expected to reach INR 96,184 crore in FY2027, by growing at a CAGR of 18.6% from FY2022 – FY2027.

Exhibit: Staffing Services Market: Historic and Forecast Revenue Trend, India, FY2018 – FY2027

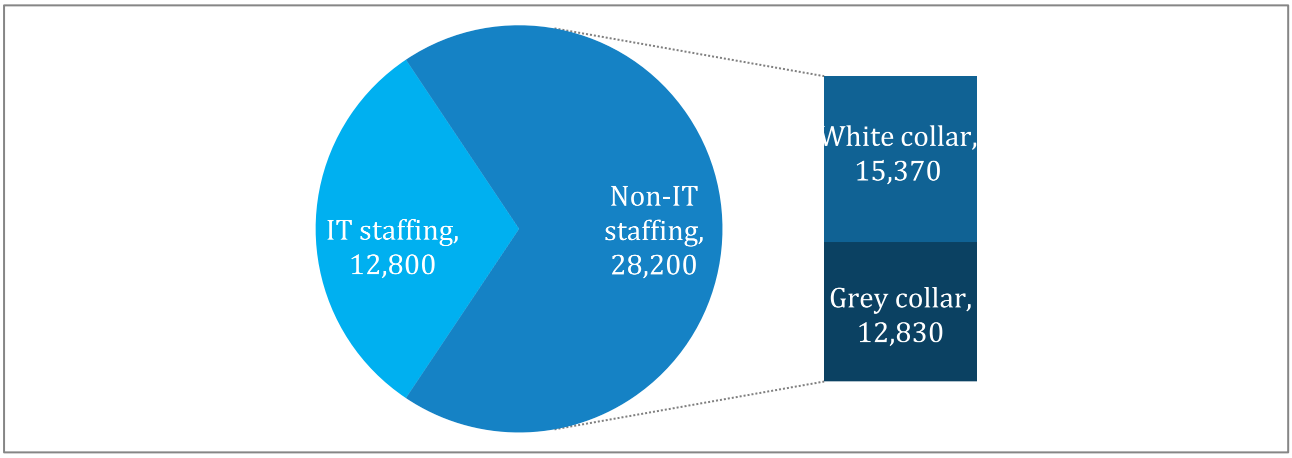


Source: Frost & Sullivan Analysis

Staffing Services Market by Segments:

The IT Staffing Services accounted for 31.2% of the total market in FY2022 and the Non-IT Staffing segment accounts for the remaining 68.8% of the total market.

Exhibit: Staffing Services Market: Breakdown by Segments, India, FY2022

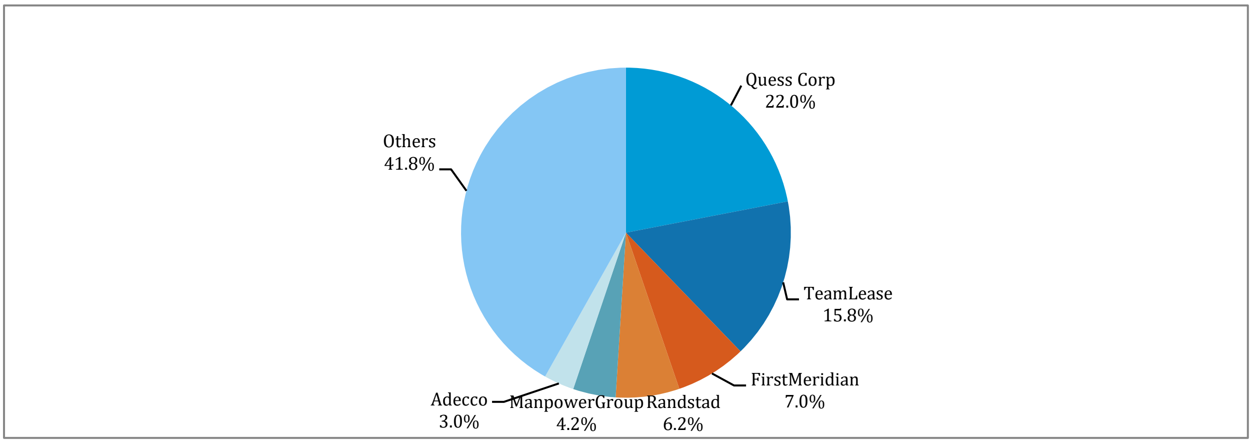


Source: Frost & Sullivan Analysis

Market Share Analysis:

The top 5 companies – Quess Corp, Teamlease, FirstMeridian, Randstad, and ManpowerGroup account for 55.2% of the total market in FY2022.

Exhibit: Staffing Services Market: Revenue Share Analysis, India, FY2022



** Others include UDS, Datamatics Staffing Services Limited, Collabera, Artech Infosystems etc.*

Source: Frost & Sullivan Analysis

BUSINESS SUPPORT SERVICES ("BSS") MARKET ANALYSIS

Market Definitions:

Business Support Services is defined as a set of ancillary services that are provided to companies for the smooth conduct of business operations. There are several service segmentations within BSS and for this report it includes the following services only:

- **Mailroom Management Services:** These services include processing and sorting the company's incoming and outgoing mail. This service is customizable based on client processes and provides complete visibility of mail movement with a track and trace facility. It also includes asset movement services, such as asset pick-up, packaging, and delivery including reverse logistics. The market only consists of the services and does not consider the revenues from sales of mailroom management systems and software.

- **Employee Background Verification Services:** These services are used to vet an individua''s employment history, commercial records, financial records, and other activities to confirm their authenticity. Address verification, education verification, criminal record verification, previous employment verification, reference checks, drug test, and credit checks are used for background verification. In recent years, social media checks are also being used to confirm the identity and records of an individual.

- **Retail/Channel/ Trade Audits & Assurance Services:** These services include end-to-end supply chain audits including warehouse depot audits, distributer audits, retail point audits, market hygiene audits, and channel/ trade claims processing and schemes administrations/ trade programs among others.

- **Sales Enablement Services:** These services include the iterative process of giving a compan''s sales force the resources they need to close more deals and increase sales. They include services, such as tele-calling, demand generation, sales plan execution by providing field staff, marketing services, intelligent database management systems, and training, among others.

- **Airport Ground Handling Services:** These refer to a range of services provided to facilitate an aircraft ground repositioning. The major categories of ground handling services are passenger handling, cargo handling, ramp handling, and catering, among others, which help in the preparation and conclusion of a flight. Passenger and ramp handling services are provided for passenger flights, whereas cargo handling services are for freighter flights.

Market Overview:

Organizations have resorted to outsourcing their non-core business activities or support services to specialized third-party companies. Business support services, when conducted internally can be expensive and time-consuming if not handled efficiently, as the organizations may lack the expertise and resources to handle these services effectively. The key benefits of outsourcing business support services include:

- **Improved Process Optimization and Efficiency:** Outsourcing support services bring in the necessary special skills and technology, and expertise which will lead to increased productivity and efficiency in the process thereby contributing to the bottom line of an organization.

- **Focus on Core Business Areas:** Outsourcing BSS releases internal resources to focus on growth, brand building, and value-added services. This helps organizations to focus their resources on core business functions.

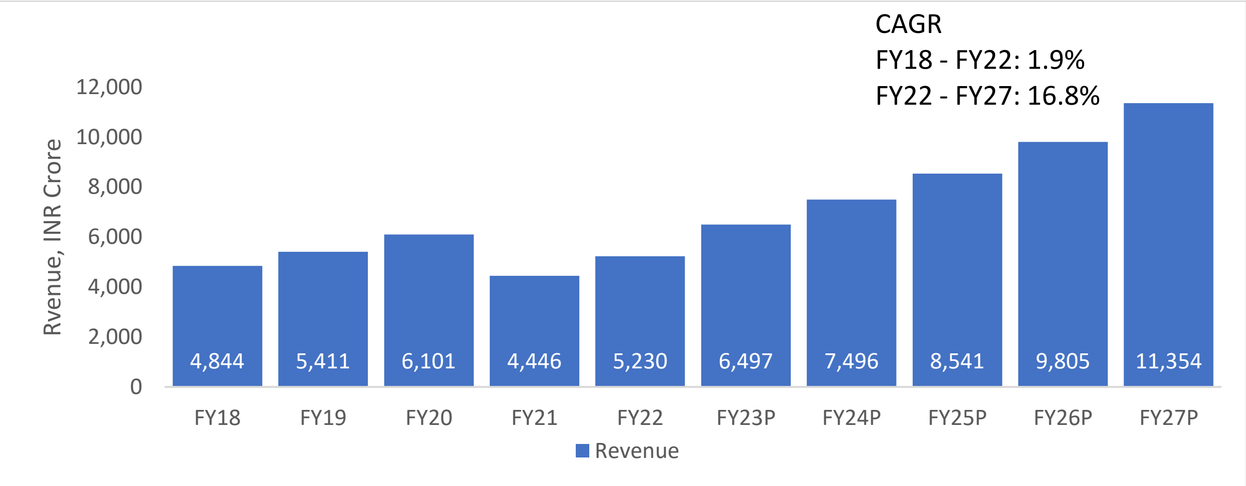
- **Cost Benefits:** Outsourcing BSS eliminates the need to invest in infrastructure and technology thereby contributing to the organization's bottom-line growth. Outsourcing helps release capital for investment in other business areas.

- **Access to Skilled Resources:** Organizations get access to skilled resources when BSS is outsourced. There is no need to invest in recruiting and training resources for businesses.

Market Size and Forecast:

The market for BSS is valued at ₹ 5,230 crore in the Financial Year ended March 31, 2022. The market recorded a CAGR of 1.9% from the Financial Year ended March 31, 2018 to the Financial Year ended March 31, 2022. The market witnessed a decline of 27.1% in the Financial Year ended March 31, 2021 due to restrictions imposed during the COVID-19 pandemic. During the pre-COVID-19 period the market grew at a CAGR of 11.6% from the Financial Year ended March 31, 2017 to the Financial Year ended March 31, 2020, driven by the growing demand for outsourcing from the growing industrial and commercial sectors. It is expected to grow at a CAGR of 16.8% from the Financial Year ended March 31, 2022 to the Financial Year ended March 31, 2027 and reach ₹ 11,354 crore in the Financial Year ended March 31, 2027.

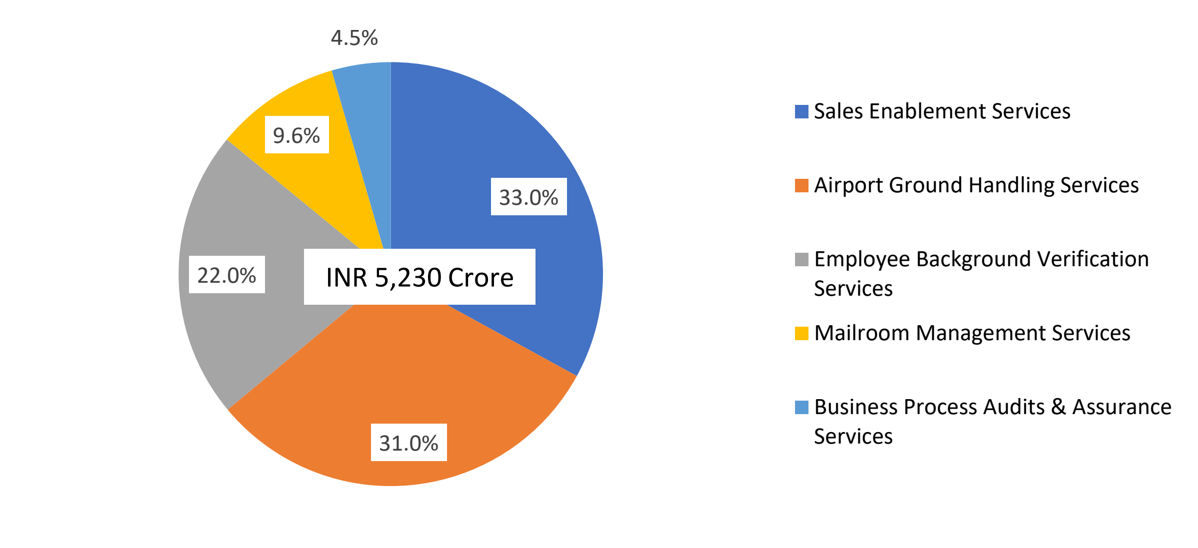
Exhibit: BSS Market: Historic and Forecast Revenue Trend, Fiscal 2018 – Fiscal 2027, India



Source: Frost & Sullivan Analysis

Sales Enablement Services is the largest segment within BSS in the Financial Year ended March 31, 2022. Improvisation of internal business processes and the need for technology adoption are the major drivers for Sales Enablement Services market in India. One of the customer needs is to improve the targeting and the efficiency of their business developing teams by providing them qualified leads. Another major growth enabler is the offshoring of work from the USA, Europe, and other global countries. Relatively lower labour costs, ability to handle complex tasks etc. make India an attractive destination for outsourcing these services. This is a global trend with multinational customers outsourcing activities to delivery partners and centres across the world much like has been seen in the IT industry, and the market is expected to witness high growth in the long-term. Other BSS segments benefiting from offshoring are Audits and Assurances and remote audit work. Ground handling services is the second largest segment in BSS.

Exhibit: BSS Market: Breakdown by Service Types, India, Fiscal 2022



Source: Frost & Sullivan Analysis

With changing business dynamics and complexity, many services, such as employee background verification and sales enablement, that were previously performed in-house are being outsourced.

Competition Overview:

The BSS market, because of the wide spectrum of services offered, is highly fragmented in nature. This level of market fragmentation, along with growing importance of compliance is expected to drive market consolidation.

A few IFM companies have extended their portfolio to provide BSS services; for example, Quess Corp has expanded its service offering to include compliance and payroll processing, Sodexo is now providing mailroom management. UDS has diversified its business offering into audits & assurances, employee background verification, sales enablement services, and airport ground handling services, which highlights the company’s vision and strategy for growth. Among the BSS companies in the market, few have presence in sales enablement, feminine hygiene, and airport ground handling services; UDS has the widest service offering, thus positioning them in a unique spot in the BSS market in India.

A. Mailroom Management Services Segment Analysis

Market Overview and Growth Outlook:

The mailroom is the main point of communication for any organization, as it forms the central hub of the internal mail and the interface for external mail. Managing the mailroom internally is a resource-intensive and time-consuming process. Companies outsource this service for effective management of in-bound and out-bound mails, pre-processing of mails, vendor management, and so on. The most common services offered under mailroom management are:

- Facilitating and coordinating inbound and outbound mail, letters, packages, and other things in a facility. This includes end-to-end services, starting from mail, packages, office supplies, & assets collection, distribution, tracking and delivery etc.
- Providing single point contact for all mail services, such as collection, documentation, vendor management, tracking of mail/package/ asset movement, ensuring delivery etc.
- Niche cargo and logistics solutions
- Service providers deploy people, processes, and technology for effective mailroom management.

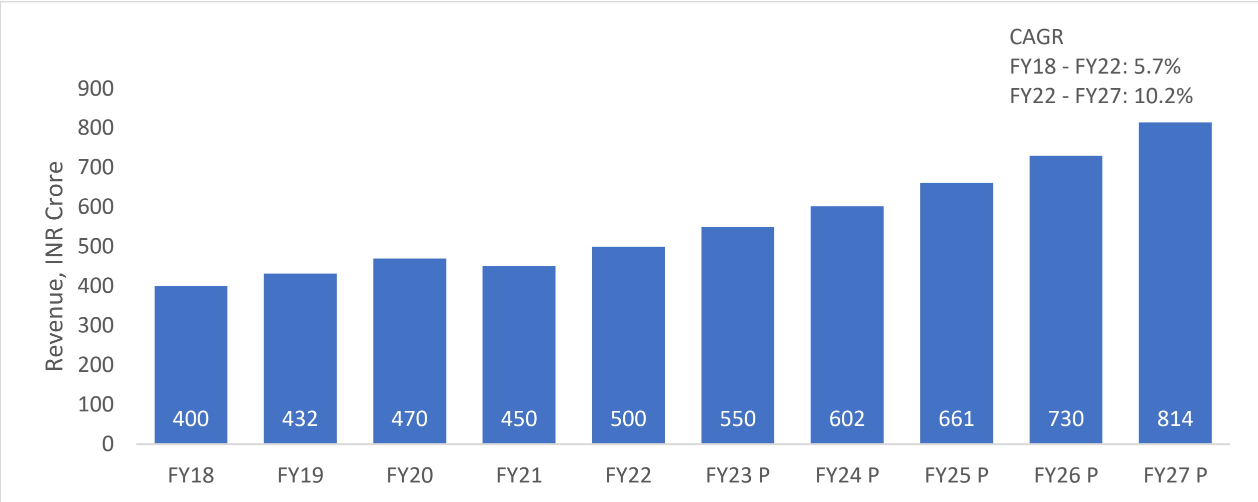
The shift from paper to electronic documentation has been happening for years, across all platforms. Mailrooms have also been widely digitalized across the world. The digital mailroom eliminates the need for time-consuming searches through stacks of papers and any concerns associated with lost or misplaced documents. With the added advantage of data security, data collecting speed increased auto-adjudication rates, and cost reductions, the demand for automated/digital mailroom management services is expected to increase in the long term.

The COVID-19 pandemic created a demand for end-to-end asset movement services, particularly from the IT segment. Most companies adopted a work-from-home policy, and this has created a demand for asset movement across the country.

Market Size and Forecasts:

The Mailroom Management Services market is estimated to be ₹ 500 crore for the Financial Year ended March 31, 2022 and has registered a CAGR of 5.7% from the Financial Year ended March 31, 2018 – the Financial Year ended March 31, 2022. Due to the impact of the COVID-19 pandemic, the market declined by 4.3% in the Financial Year ended March 31, 2021. It is expected to grow at a CAGR of 10.2% from the Financial Year ended March 31, 2022 to the Financial Year ended March 31, 2027 and reach ₹ 814 crore in the Financial Year ended March 31, 2027.

Exhibit: Mailroom Management Services Segment Market: Revenue Forecasts, India, Fiscal 2018 – Fiscal 2027



Source: Frost & Sullivan Analysis

Competition Overview:

The Mailroom Management Services market is dominated by local companies and is highly fragmented. With the rise in the penetration of automation and digitalization and increased need for data protection and data security, the market is expected to move towards consolidation in the coming years. The industry average gross margins are at 15–- 20% for organized companies.

The major companies operating in this segment are Mailit, Avon Solutions and Logistics, TGH, and Sodexo. Avon is the leading service provider in India and a pioneer in the mailroom and asset movement business. Avon is the market leader with a share of 15.5% in the Mailroom Management Services market in the Financial Year ended March 31, 2022.

B. Employee Background Verification Services Segment Analysis

Market Overview and Growth Outlook:

Employers conduct background checks to recruit the right candidate for their job requirements and to ensure that the potential candidate does not pose a workplace threat or become an employer liability in the future. The important advantages of employee background verification are:

- **Resume Fraud Avoidance:** Rigorous employee background verification eliminates the selection of candidates who present fake mark sheets or those with hidden criminal backgrounds.

- **Cost Savings:** A bad hire could lead to enormous losses in productivity, damaged employee morale, and reduced sales. No recruiter wants to spend days/week(s) or excess money managing an underqualified employee who passes through the cracks. Background screening can therefore save the company from hiring the wrong candidate and thereby costs.

- **Safeguards Company Assets:** A comprehensive background check will ensure the security of the reputation of businesses. A company is made and is known by its people and badly reputable employees can influence the reputation and reliability of a company.

Some of the common background verification services offered in the Indian market are as follows:

- **Document Verification:** Document Verification is a comprehensive background screening service that assists employers and other organizations in determining the accuracy of candidate information. Deep document verification assists businesses in detecting differences made by candidates relating to their identity with the goal of obtaining a job or possibly causing significant security issues.

- **Criminal Background Check:** Criminal records searches are conducted at the local police station, where many records are still stored in paper form versus electronically. It is necessary to ensure that organizations know the most relevant information about a potential candidate's ability to perform responsibly in a particular role by searching recognized police service records and/or court files to reveal disclosable court outcomes for offenses.

- **Education & Employment Verification:** Educational institutions are contacted to know about the candidate's marks, personality, academic history, and degree, among others.

- **Credit Checks:** An employe''s credit score verification is carried out with a credit check and CIBIL score report. The employee credit checks are used to evaluate the financial background of a candidate.

- **Others:** Other background verification services include address verification, identity verification, reference checks, and gap verification in candidate employment history.

Growth Drivers: The major factors driving the demand for employee background verification services are:

- **Rise in the Demand for Background Screening & Data Intelligence:** Technology plays a vital role in broadening the horizons of the Background Verification Market, where the penetration is still low.

- **Avoiding Discrepancies:** Eight out of 100 candidates misled or misinformed on job applications in 2020 with the IT sector witnessing the highest discrepancy in employee background verification at 16.6% in the Financial Year ended March 31, 2021.

- **Growth in Gig Economy:** Approximately 4 million people are added to the Indian workforce annually and a major portion of these are millennials who are showing an increasing preference for gig contracts. With the increase in gig economy, risks for employers also increases. To mitigate the risks, employers conduct background verification and the growth in gig economy has a direct impact on the growth of the Employee Background Verification Services demand.

- **New Age Business Models:** Some of the major companies adopting new age business models include Swiggy, Zomato, Ola, Uber, and Urban Company, among others. Most of the new age business models are customer-centric and their employees interact with customers one-on-one. The employees also have access to the personal data of customers, and this makes it imperative for organizations to conduct background verifications on their employees.

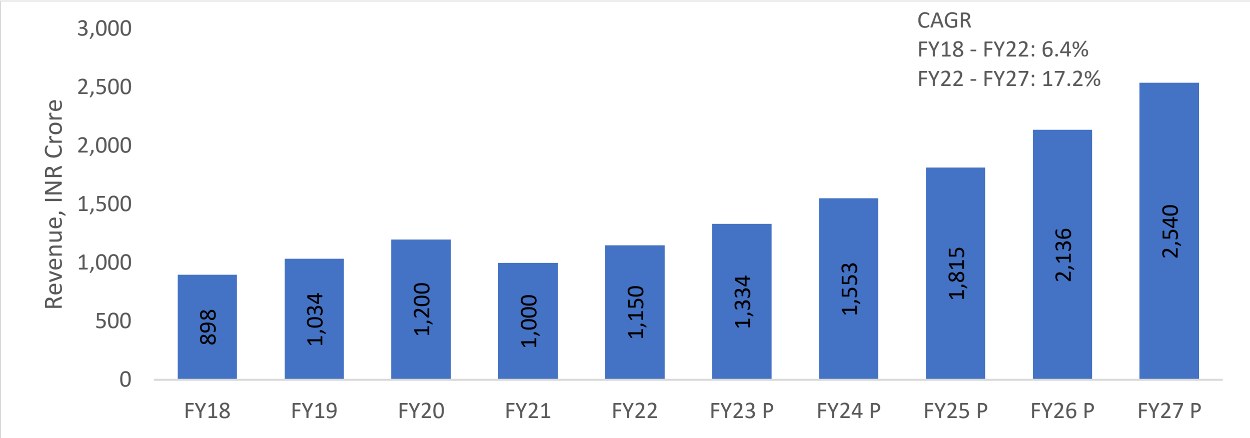
Recent Market Trends:

Adoption of Technology: While traditional methods of cross-checking school credentials, career history, and basic demographic and personal information is a time-consuming process, advances in technology have made the processes easier. Digitalization has resulted in the most important change in the way background screening is undertaken. In comparison to obtaining and validating paper copies, computerized/digitized or cloud-based records are undoubtedly easier to query and validate. This improvement brought about by digital record-keeping is a boost for the employee background verification services market.

Market Size and Forecasts:

The market is at a nascent stage in India but one of the fastest growing business support services. The market is estimated at ₹ 1,150 crores in the Financial Year ended March 31, 2022. Increasing awareness, technology advancements, and the growing importance of data security majorly drive the demand for these services. The market is forecasted to grow at a CAGR of 17.2% from the Financial Year ended March 31, 2022 to the Financial Year ended March 31, 2027 to reach ₹ 2,540 crore. The COVID-19 pandemic led to a decline of 16.7% of the market growth in the Financial Year ended March 31, 2021.

Exhibit: Employee Background Verification Services Segment Market: Revenue Forecasts, India, FY2018–FY2027



Source: Frost & Sullivan Analysis

Competition Overview:

The major companies operating in this segment are First Advantage, Authbridge, Pinkerton, Milliow, Arc Attest, Helloverify, Matrix Business Services, Vertifacts, cFirst, KPMG, and Idfy among others. Matrix Business Services, which is a leading company in this segment, was acquired by UDS and is the third largest company in the segment with a share of 5.7% in the Financial Year ended March 31, 2022. This market is led by First Advantage and has a market share of 25.0% in the Financial Year ended March 31, 2022, followed by Authbridge with a share of 10.7%. The industry average gross margins are in the range of 30-35%.

C. Retail/ Channel/ Trade Audits and Assurances Services Segment Analysis

Market Overview and Outlook:

Audits and assurances are often part of the normal routine for most businesses, whether for financial records or physical inventories.

- **Supply Chain Audit Services:** Supply chain audits examine a company's whole supply chain in detail. The purpose and advantages of supply chain audits are identifying supply chain risks to safeguard revenue and reputation, detecting, and preventing fraud and systemic mistakes, and increasing supply chain efficiency.

- **Warehouse Audit Services:** Warehouse audit services are a more thorough examination of all activities, equipment, procedures, and staff to assess and evaluate output and performance. These include stock audits, operations audits, quality control, and consumer safety audits, among others.

- **Distributor Audit Services:** These services include due diligence on distributors, price protection audits, stock and sales validation, performance reviews, and dealer/distributor reviews among others. A few of the benefits of distributor audits include becoming aware of possible misconduct and engaging distributors in the process of ethical business dealings. The most important service under this is the stock audit which is a physical verification of stock and inventory.

- **Retail Point Audit Services:** Retail point or store audits are inspections of specific retail outlets with the objective of acquiring data on the health of the brand's products. The benefits of conducting retail audits are:
  - Compliance with agreements on product placement, pricing, and promotion.
  - Method measures their success in the retail environment.
  - They enable the collection and collation of data over a period and decision makers can make informed decisions than would reduce inefficiencies and ultimately drive sales.

- **Scheme Audits and Processing for Distributors/ Retailers:** This includes auditing and processing of trade schemes and other promotional schemes from retailers and distributors for their effectiveness, identifying risks and mitigate them, and thereby ensuring that the right pay-outs are made by the company.

Growth Drivers:

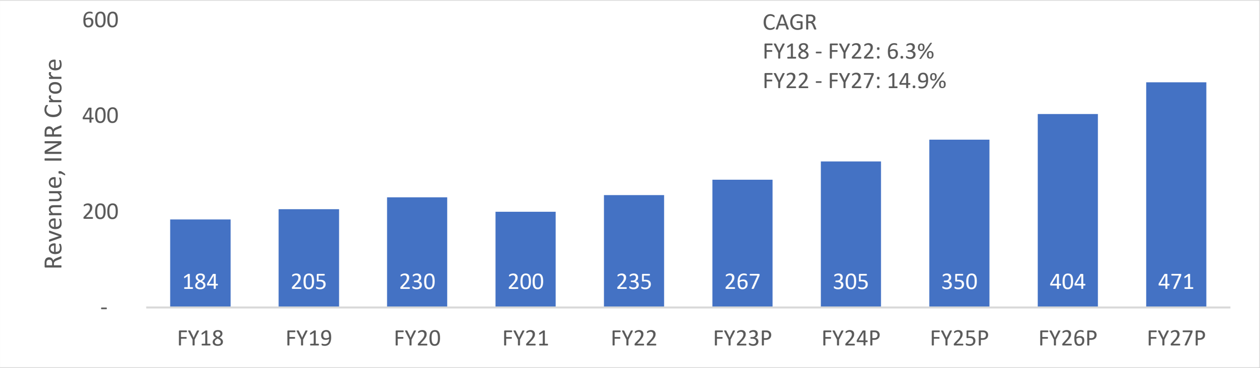
Increasing Integration with 3rd Party Companies: Third-party suppliers, distributors, and outsourced service providers are increasingly incorporated into today's business operations. With increasing integration comes the risk; organizations are unaware of these risks and their impact on business and the company's revenue growth. This would drive the demand for Audit and Assurance Services among large organizations in India.

Retail Industry Growth: Retail segment in India contributes to over 10% of the GDP. The segment is witnessing tremendous growth in India driven by factors such as economic growth, changing demographic profile, increasing disposable income, urbanization, and changing consumer preferences in India. Increase in online spending is also creating demand in this segment; online shoppers are expected to reach 500 million by 2030 from just 150 million in 2020.

Market Size and Forecasts:

Retail/ Channel/ Trade Audits and Assurance Services market is estimated to be ₹ 235 crore in the Financial Year ended March 31, 2022 and has recorded a CAGR of 6.3% from the Financial Year ended March 31, 2018 to the Financial Year ended March 31, 2022. The impact of the COVID-19 pandemic is estimated to lead to a decline of 13.0% in the Financial Year ended March 31, 2021. The market is expected to grow at a CAGR of 14.9% from the Financial Year ended March 31, 2022 to the Financial Year ended March 31, 2027 and reach ₹ 471 crore.

Exhibit: Retail/ Channel/ Trade Process Audits and Assurances Services Segment Market: Revenue Forecasts, India, FY2018–FY2027



Source: Frost & Sullivan Analysis

Competition Overview:

Retail/ Channel/ Trade Audit and Assurances Services segment is fragmented and is expected to move towards consolidation in the coming years. Apart from the major four audit companies, Matrix, (subsidiary of UDS) has driven the company to reach the top spot in India, with a market share of 16.2% in the Financial Year ended March 31, 2022. The second largest company is ProTeam with a share of 10.7% and it is followed by ChannelPlay with a share of 8.8% in the Financial Year ended March 31, 2022. The industry average gross margins are in the range of 12 – 15% among organized segment companies in India.

D. Sales Enablement Services Segment Analysis

Market Overview and Growth Outlook:

Major objective for any organization is to acquire new clients, while working towards optimizing revenues and profits. Today many businesses are focusing on having an aggressive sales technique as economies throughout the world continue to thrive and offer growth opportunities. Sales enablement service is now widely used as a strategic approach by businesses.

This is emerging as a critical service, as it enables the sales team to go through an effective process to achieve better results. It plays an important part in extending the sales beyond a few prospective clients. The right sales enablement strategy equips sales force with the training, coaching and content they need to be successful. It provides the sales teams with best practices, knowledge, tool, and resources required to be successful.

Benefits of Sales Enablement Services:

By assisting sales teams in identifying precise actions that raise the possibility of a sale and helping them to give extra value to buyers, sales enablement removes the ambiguity from the sales process. Sales enablement services provide a variety of benefits, including the following:

- **Increased Revenue:** The primary performance-related goal of sales enablement is to increase revenue. This service has a direct impact on revenue and the success of a sales enablement program is measured by conversion rates which show performance trends.

- **More Selling Time for Sales Representatives:** Salespeople have more time for core selling activities when they are supported by a strong sales enablement program, which correlates to higher win rates and stronger client relationships.

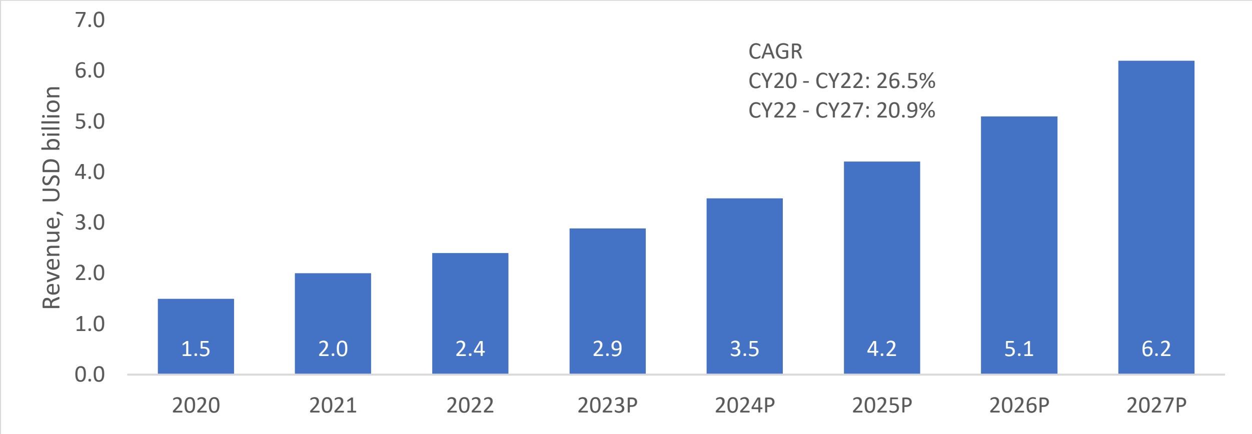
- **Improved Client Acquisition:** Sales enablement service delivers the consistency and effectiveness that organizations need to gain new clients by organizing the efforts of different stakeholders throughout the sales process.

The most essential benefit of sales enablement is that it enables customer-facing employees to contribute value, every time they connect with a customer along the customer journey. Companies perform better in sales when they migrate from vendors to trusted partners; deploying sales enablement services would ensure it.

Market Size and Forecasts:

The global market for Sales Enablement Services was estimated at USD 1.5 billion in CY2020 and is projected to grow at a CAGR of 22.4% over the period Calendar Year 2020–- Calendar Year 2027 to reach to USD 6.2 billion. The sales enablement services market is driven by various factors, such as reduced sales cycle, better collaboration between marketing and sales team, and enhanced efficiency of sales representatives. However, inconsistent user experience across different access channels can hinder the growth of the market.

Exhibit: Sales Enablement Services Market Forecast, Global, CY2020–CY2027



Source: Frost & Sullivan Analysis

North America is the major contributor as the region is a major hub for technological innovations and an early adopter of new technologies. The whole purpose of a sales enablement platform is to assist a brand in reaching high-potential prospects, increasing conversions, and closing high-value deals. Businesses in the North American region have realized that sales enablement helps them generate more revenue by bridging the gap between sales and marketing.

China's Sales Enablement Services market is expected to grow at an annual growth rate of 18.9% from 2020 to 2027. Japan and Canada are two more important geographic markets, with forecasted growth rates of 17.2% and 17.1% respectively, from 2020 to 2027. Germany is expected to expand at a CAGR of around 14.5% from 2020 to 2027. Indian's Sales Enablement Services market is expected to grow at a CAGR of 17.8% from the Financial Year ended March 31, 2022 – the Financial Year ended March 31, 2027.

Five major trends that influence sales enablement are:

1. **Digital Communication:** Many businesses are using mobile technologies to supply services all over the world. With mobile solutions, salespeople have the tools and real-time information they need to better understand customers, answer to questions faster, give impressive demos, and provide detailed product information, among other things.

2. **Cloud:** Cloud solutions are an add-on to sales enablement since they allow businesses to make information, training, and other resources available in real-time from anywhere in the world. Because businesses may upload multiple apps to the cloud and provide them as services globally, the cloud enhances mobility.

3. **Analytics & Content Intelligence:** Analytics gives high-value content to sales teams by converting massive amounts of data into relevant insights. Data-driven insights can help boost sales and return on investment (ROI). Analytics and content intelligence can be used by businesses to adjust content to the demands of their customers. Enterprises may use analytics to find the best sales prospects, increase sales forecasting accuracy, effectively detect, and manage risk, and assess the performance of sales personnel, among other things. All these insights will help businesses gain a competitive advantage.

4. **Technology-driven Database Generation:** Enterprises will use technology to develop white space databases and address untapped white spaces in the future of sales enablement, increasing sales conversion and delivering higher sales impact.

5. **Localization of Voice Activated Instructions:** The usage of voice-activated instructions is an increasing area of focus. With multiple local language resources, this would streamline the sales process deployment across multiple geographies. As a result, localization of voice-activated instructions can boost strategy effectiveness. Conversational artificial intelligence (AI) such as chatbots and virtual assistants also enable localization and personalized customer experience.

6. **Digitalization:** The role of digitalization of sale process is a key enabler as it leverages content syndication, marketing automation and digital marketing. This is bridging the gap between sales and marketing and therefore making the sales process more efficient and precise, which leads to faster and better sales conversions.

Major companies offering sales enablement platforms and services across the globe include SAP (Germany), Bigtincan (US), Upland Software (US), Highspot (US), Seismic (US), Showpad (Belgium), Brainshark (US), ClearSlide (US), ClientPoint (US), Accent Technologies (US), Quark Software (US), Bloomfire (US), Qorus Software (US), Pitcher (Switzerland), Mediafly (US), Rallyware (US), MindTickle (US), and Qstream (US).

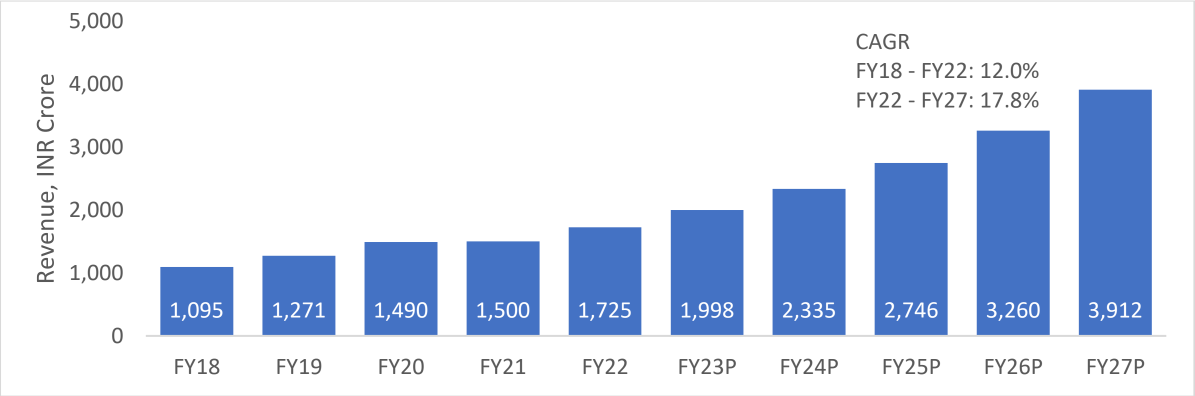
In India, sales enablement is becoming more widely recognized in B2B companies, especially the IT segment. The rising need to improve internal business processes and the complementing sales efforts with advanced technology are the key factors driving the growth of sales enablement services market in India. One of the customer needs is to improve the target and the efficiency of their business development teams by providing them qualified leads. This is a global trend with multinational customers outsourcing activities to delivery partners and centers across the world similar to the IT industry.

The COVID-19 pandemic has also contributed to the growth of this market and would continue to support the growth in the coming years. As many customers shop from the comfort of their own homes today, they have more time to research websites and find the greatest deals. With the advent of technology, buyers demand frictionless purchasing experience and sales teams must be ready to respond to these shifting expectations. Collaboration, research, and analysis are all being emphasized more in the sales cycle because of the change in the buying process. A customer-centric approach has compelled organizations to think more seriously about restructuring and digital transformation plans. This has driven the demand for sales enablement services during the pandemic.

India presents a unique platform for sales enablement services, characterized by diversity and talent. Market diversity demands unique sales strategies and though the sales enablement approach remains the same, its implementation must adapt to new market's dynamic requirements. In addition to diversity, the Indian market is home to world-class talent. This enables sales enablement firms to set up R&D for their services, allowing them to strategize and test many service models before deploying the best solution.

The Sales Enablement Services market in India is valued at ₹ 1,725 crore in the Financial Year ended March 31, 2022 and recorded a CAGR of 12.0% from the Financial Year ended March 31, 2018 – the Financial Year ended March 31, 2022. It is expected to grow at a CAGR of 17.8% from the Financial Year ended March 31, 2022 to the Financial Year ended March 31, 2027 to reach ₹ 3,912 crore.

Exhibit: Sales Enablement Services Segment Market: Revenue Forecasts, India, Fiscal 2018 – Fiscal 2027



Source: Frost & Sullivan Analysis

Competition Overview:

The major companies operating in this segment are Denave, Channelplay, Netambit, WebHelp, TeleDirect, Majorel, PPMS, eSearch Logix, Regalix, Ushur, Mindtickle, Athena and others. Denave was acquired by UDS in 2021 and is the largest player in this segment. Denave/ UDS has a market share of 15.4% in the Financial Year ended March 31, 2022 and is the market leader in India, followed by WebHelp with a share of 9.7%. Recently, UDS acquired another company, Athena BPO, which provides outbound tele sales services, data processing services and back-office support services. Athena focusses on niche segments such as the BFSI, which provides relatively better profitability than other segments in India.

E. Airport Ground Handling Services Segment Analysis

Airport Ground Handling has the below major services such as:

- Baggage and Cargo Loading/Unloading
- Aircraft Clean-ups
- In-flight Meals Loading and Unloading
- Aircraft Marshalling
- Terminal Service
- Ramp Handling

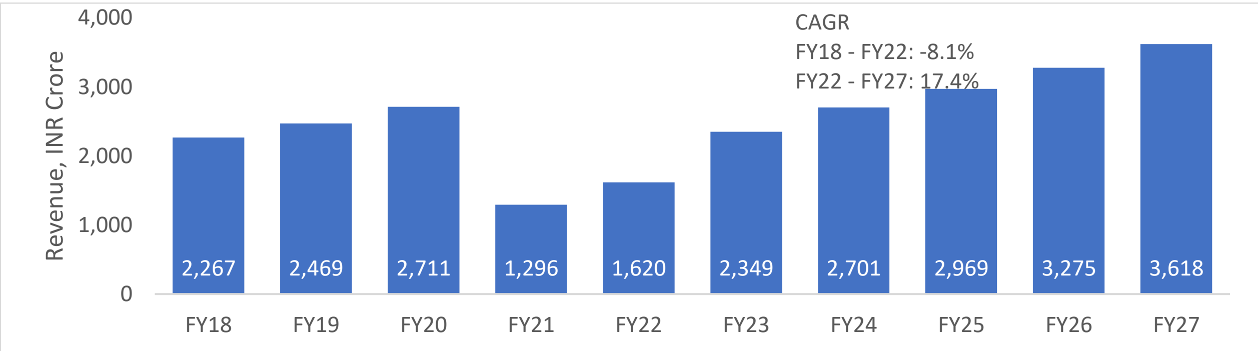
Market Size and Outsourcing:

In the Financial Year ended March 31, 2022, the market for Airport Ground Handling services is estimated to be ₹ 1,620 crore.

Major operators such as Indigo and Air India have established their own subsidiary companies for ground handling, and this accounts for almost 49% of the total market and may open for 3rd party companies in the long-term. The remaining 51% is being outsourced to 3rd party companies through competitive bidding.

The market for Airport Ground Handling Services is expected to grow at a CAGR of 17.4% from the Financial Year ended March 31, 2022 to the Financial Year ended March 31, 2027 and reach ₹ 3,618 crores.

Exhibit: Airport Ground Handling Services Market: Historic and Forecast Revenue Trend, India, FY2018–FY2027



Source: Frost & Sullivan Analysis

Impact of COVID-19 on Airport Ground Handling Services Market:

In 2020, the COVID-19 pandemic had a tremendous impact on the Indian aviation sector, with airport operations almost at a complete standstill due to travel restrictions. Commercial flight services were on hold for almost 15 months due to the pandemic.

With limited revenues in the Financial Year ended March 31, 2021, ground handling companies had to take several severe measures such as layoffs and salary cuts among others. The industry returned to growth in the Financial Year ended March 31, 2022 and is expected to reach pre-pandemic levels by the Financial Year ended March 31, 2023.

Market Growth and Outlook:

Growth in Passenger Traffic:

In December 2021, 22.13 million domestic air passengers were registered at the departures, which is 53.3% higher than the domestic air traffic seen in December 2020, at 14.44 million passengers. Because of COVID-19, domestic and international passenger traffic declined in the Financial Year ended March 31, 2021 by 66.4%. Around 189 million passengers were served by Indian Airports in the Financial Year ended March 31, 2022, recording a growth of 64.3% from the Financial Year ended March 31, 2021.

Growth in Tourism: Tourism is one of the largest service industries in India. The factors making India an attractive market for tourism is its geographical diversity, world heritage sites, and niche tourism products like cruises, adventure, medical, eco-tourism, etc. Driven by these factors, the tourism and hospitality industry in India is expected to contribute USD 512 billion to GDP by 2028.

Medical tourism is another factor aiding the growth of tourism and passenger traffic in India. Rising costs of healthcare in developed countries are making India an attractive destination for medical tourism. India provides a cost advantage of close to 50% when compared with western countries. This cost advantage is expected to increase the number of medical tourists in the coming years.

Growth in Meetings, Incentives, Conferences and Exhibitions (MICE): In-person meetings are still valued for establishing and maintaining long-term working relationships as well as finalizing business deals in India. Business travel assists organizations in expanding their business, meeting new clients, determining marketing strategies, learning about new trends, and observing how others conduct business.

Focus on Airport Infrastructure in India: India is expected to see an investment of around ₹ 98,000 crore by both public and private operators by the Financial Year ended March 31, 2026. The government of India announced that 100 additional airports would be developed in the country by 2024 under the Ude Desh ka Aam Naagrik (UDAN) program.

Ude Desh ka Aam Naagrik (UDAN) or Regional Connectivity Scheme (RCS): UDAN-RCS is a regional airport development program of the Government of India, with the goal of letting the common citizen of the country fly, to boost inclusive national economic development, job growth, and air transport infrastructure development of all regions and states of the country.

According to rating agency ICRA, the number of new RCS routes that began operations grew at a healthy rate, reaching 395 and 425 routes in the Financial Year ended March 31, 2021 and the Financial Year ended March 31, 2022, respectively. The central government spent a total of ₹ 2,610 crore on the UDAN scheme up to June 2022.

NextGen Airports for Bharat (NABH): The government unveiled a new initiative in February 2018, called Nextgen Airports for Bharat (NABH) Nirman, under which it plans to increase airport capacity in the country by more than fivefold to handle a billion trips each year. The three most important features of NABH Nirman are:

- Land acquisition that is fair and equitable
- A long-term master plan for airport and regional development
- Economics that is balanced for all stakeholders.

Competitive Insights and Market Share Analysis:

Competitive Overview:

The market for Airport Ground Handling Services is concentrated in India with AISATS, Bird Group, GlobeGround India Private Limited, Indo Thai, Celebi Aviation, AI Airport Services, and Global Flight Handling Services being the major companies operating in this space. Higher regulatory compliance creates entry barriers for companies in this market – Ground Handling Regulations, AAI 2018, and IATA and BCAS Regulations and Guidelines are some of the critical guidelines to be adhered to in this market.

AISATS is the leading company with a market share of 25% in the Financial Year ended March 31, 2022 and handling around 82 airports in India. The second largest is AI Airport Services with a share of 23.0% in the Financial Year ended March 31, 2022; some of the key airports handled by AI Airport Services are Bengaluru, Delhi, Hyderabad, Mangalore, and Trivandrum.

Companies in this market need security clearance from the Bureau of Civil Aviation Security for Airport Ground Handling Business and a service provider license for auxiliary services at all Indian airports issued by the Ministry of Civil Aviation. Industry average gross margins are in the range of 30-40%.

Competition Summary: Overview of Service Offerings:

Exhibit: BSS Market: Summary of Service Offerings of Major Companies, India, 2022

Company Name	Mail Room Management & Niche Logistics Services	Employee Background Verification	Retail Audits & Assurances	Sales Enablement	Airport Ground Handling
AI Airport Services					✓
AI SATS					✓
Altruist Technologies				✓	
Authbridge		✓			
Bird Worldwide					✓
Channel Play			✓	✓	
Conneqt Business Solutions				✓	
Eureka Outsourcing				✓	
First Advantage		✓			
Haribhakthi/ Planer People			✓		
Indo Thai					✓
KPMG		✓	✓		
Mailit	✓				
Majerol				✓	
Netambit				✓	
Pinkerton		✓			
PPMS				✓	
ProTeam			✓		
PwC			✓		
OnGrid		✓			
Tele Direct				✓	
TGH	✓				
UDS	✓	✓	✓	✓	✓
V5				✓	
Verifacts Services		✓			
WebHelp				✓	

Note: Companies are arranged in alphabetical order only
Source: Frost & Sullivan Analysis

Overall competition analysis:

Exhibit: IFM and BSS Market: Service Portfolio of Major Companies, India, FY2022

FM Company Name	Soft Services	Hard Services	PSS	Food & Catering Services	Mail Room Services	Employee Background Checks	Retail/ Channel/ Trade Audits & Assurances	Feminine Hygiene	Sales Enablement	Staffing	Airport Ground Handling	Waste Management	Emergency Services	Capital Projects	Security
BVG	✓	✓										✓	✓		
UDS	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓				
Quess Corp	✓	✓	✓	✓						✓					
SIS Limited	✓	✓								✓					✓
Sodexo	✓	✓		✓											
Krystal	✓	✓	✓						✓						
ISS Facility Services	✓	✓		✓						✓				✓	
Compass	✓	✓		✓											
Impressions	✓	✓	✓							✓					
OCS Group	✓	✓	✓	✓											

Source: Frost & Sullivan Analysis

Legend for relative strength of a company in a business segment:

High Medium Low

Note: For Soft Services, Hard Services, PSS, and Food & Catering Services the relative strength is based on market shares and for the rest of the business segment, the strength of a company is based on qualitative insights gathered during the research.

OUR BUSINESS

Some of the information in this section, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read "Forward-Looking Statements" on page 20, for a discussion of the risks and uncertainties related to those statements and also "Risk Factors", "Restated Consolidated Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting our Results of Operations" beginning on pages 34, 277 and 495, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

Unless otherwise indicated or the context otherwise requires, the financial information as of and for the Financial Years ended March 31, 2020, March 31, 2021, and March 31, 2022, and as of and for the six months period ended September 30, 2022 included herein is derived from our Restated Consolidated Financial Information, included in this Draft Red Herring Prospectus. For further information, see "Restated Consolidated Financial Information" on page 277. Further, unless otherwise indicated or the context otherwise requires, all operational information included herein for the Financial Years ended March 31, 2020, March 31, 2021, and March 31, 2022 and the six months period ended September 30, 2022, is on a consolidated basis. Since we acquired Athena post September 30, 2022, we have included proforma consolidated balance sheet to give effect to the impact of this acquisition on our financial position as at March 31, 2022 and as at the six months ended September 30, 2022 as if the acquisition occurred as at March 31, 2022 and as at the six months ended September 30, 2022, respectively. We have also included proforma consolidated statement of profit and loss for the Financial Year ended March 31, 2022 and for the six months period ended September 30, 2022 to give effect to the impact of this acquisition on our results of operations as if it occurred on April 1, 2021 and April 1, 2022, respectively, under "Proforma Financial Information" on page 382. Also see "Risk Factors – The Proforma Financial Information included in this Draft Red Herring Prospectus may not be indicative of our actual results of operations and financial position for such periods or as of such dates, or of expected results of operations in future periods or our future financial position." on page 40. For further details in relation to this acquisition, see "History and Certain Corporate Matters – Details regarding acquisition or divestment of business or undertakings" on page 236.

Unless the context otherwise requires, in this section, references to "our Company", "the Company", "we", "us" or "our", refers to Updater Services Limited, on a consolidated basis.

*Unless otherwise indicated, industry and market data used in this section has been derived from the report "Assessment of Integrated Facilities Management Market in India" dated March 27, 2023 (the "**F&S Report**") prepared and released by Frost & Sullivan and commissioned and paid for by us and prepared exclusively in connection with the Offer. We officially engaged Frost & Sullivan for purposes of commissioning the F&S Report for the Offer pursuant to an engagement letter dated July 9, 2021 and addendum dated August 17, 2022. The F&S Report is available at the following web-link:* www.*Uds.in/Investor-Relations/Industry_Report. The F&S Report was prepared using publicly available financial information. Frost & Sullivan is not related in any manner to our Company or any of our Directors or Promoters. Unless otherwise indicated, all financial, operational, industry and other related information derived from F&S Report and included herein with respect to any particular year refers to such information for the relevant calendar year.*

Overview

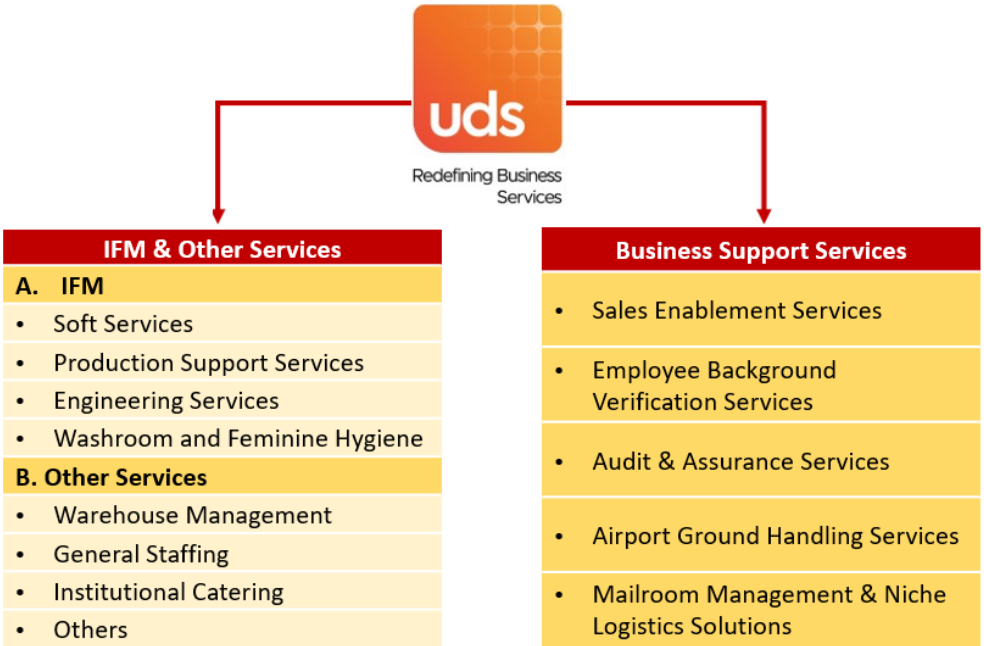
We are a leading, focused, and integrated business services platform in India offering integrated facilities management ("**IFM**") services and business support services ("**BSS**") to our clients, with a pan-India presence. (*Source: F&S Report*) We are the second largest player in the IFM market in India and have the widest service offering in the industry, making us a unique and differentiated player in the market. (*Source: F&S Report*) Within our BSS segment, we offer Audit and Assurance services through our Subsidiary, Matrix and according to F&S Report, Matrix is a leading Audit and Assurance company for dealer / distributor audits, and retail audits and its strong branch reach and field associate reach has driven the company to reach the top spot in India, with a market share of 16.2% in the Financial Year ended March 31, 2022. We also offer employee background verification check services through Matrix and in this segment, Matrix is the third largest company in India with a share of 5.7% in the Financial Year ended March 31, 2022. (*Source: F&S Report*) In addition, we provide sales enablement services through our Subsidiaries Denave and Athena and as per the F&S Report, Denave is the largest player in this segment with a market share of 15.4% in India in the Financial Year ended March 31, 2022. In addition, we offer mailroom management services through our Subsidiary, Avon which is a market leader in India with a share of 15.5% in the mailroom management services market in the Financial Year ended March 31, 2022. (*Source: F&S Report*)

Our Company was founded by Raghunandana Tangirala who has over 30 years of experience in the integrated business services industry. We commenced operations in 1990 as a housekeeping and catering services company situated at Chennai, Tamil Nadu. Over the years, we have evolved into an integrated business services platform with a pan India presence serving customers across industries and business service lines. We are led by a well-qualified and experienced management team, which has robust experience in the sectors in which we operate, and which has demonstrated its ability to manage and grow our operations across segments that we operate in.

We operate in the Business-to-Business ("**B2B**") services space offering a spectrum of business services, which are broadly classified into the two following segments:

1. IFM & Other Services Segment; and
2. BSS Segment

Our portfolio of services, offered across these two business segments, include the following:



The two segments highlighted above are identified based on the manner in which our Company reviews performance, considering the spread of services provided to our customers and the teams that deliver these services. BSS comprises of our five distinct services while all other services are classified as IFM & Other services (which is categorised as integrated facility management services in the financial reporting which include the sub-segments mentioned above).

Brief details of our portfolio of services are set out below:

(i) ***IFM & Other Services Segment:***

Our IFM services segment primarily comprise:

- *Soft Services:* These include services such as housekeeping and cleaning services, disinfecting and sanitizing services, pest control, horticulture, and facade cleaning. We are the second largest player in the highly fragmented soft services segment market in India with a share of 4.2% in the Financial Year ended March 31, 2022. (*Source: F&S Report*)

- *Production Support Services*: Production support services ("**PSS**") are solutions offered to manufacturing facilities including material handling, material movement, on-site warehouse management, stores and inventory management, production support activities, and equipment maintenance. According to F&S Report, we are the market leader in India in this extremely fragmented segment with a market share of 1.8% in the Financial Year ended March 31, 2022. Our Company is one of the leading PSS providers to the automotive segment in India. (*Source: F&S Report*)

- *Engineering Services:* These mainly comprise services related to mechanical, electrical and plumbing ("**MEP**"). These services, also referred to as hard services, include maintenance, repair, overhaul and performance management of heating, ventilation and air conditioning ("**HVAC**") systems; power equipment such as generators and UPS systems; pumps, sewage treatment plants, fire safety systems, waste management systems as well as the management of annual maintenance contracts for elevators and other building related systems and equipment. Our Company is amongst the top five players in India in the hard services market. (*Source: F&S Report*)

- *Washroom and Feminine Hygiene Care Solutions:* These include feminine hygiene care solutions and products and services such as air fresheners, sanitizers and washroom solutions. Washroom and feminine hygiene care solutions are offered through our Subsidiary, Washroom Hygiene Concept. Washroom Hygiene Concept is the second largest player with revenues of ₹ 8 crore and a market share of 20.0% in the Financial Year ended March 31, 2022. (*Source: F&S Report*)

Our Other services segment primarily comprise:

- *Warehouse Management:* These services comprise deployment of people, equipment and processes to manage customer warehouses and operations within them, which could include material handling, stock keeping, grading and sorting, breaking bulk, repacking, inward and outward dispatches, return logistics, among others.

- *General Staffing:* These are services where field staff are provided to customers for deployment in various roles and who operate under the customer's supervision. These services, offered through our Company as well as through our Subsidiary, Integrated Technical Staffing and Solutions, generally comprise recruitment, payroll and human resource services. These do not constitute a significant part of our portfolio with our focus being on specialty staffing in healthcare, payroll management and field force management.

- *Institutional Catering:* These services, provided through our Subsidiary, Fusion Foods, comprise provision of catering and food services to corporates, educational institutions and industrial facilities.

- *Others:* Other services comprise technology services offered through our Subsidiary, Wynwy and procurement services offered through our Subsidiary, Tangy.

(ii) ***BSS Segment:***

These services comprise:

- *Sales Enablement Services:* These services are mainly provided through our Subsidiaries, Denave and Athena. Denave is a sales enablement B2B company focused on serving global customers across multiple industries including information technology / information technology enabled services ("**IT / ITeS**"), telecom and other industries, through global delivery centres located in India, Malaysia and UK, and also through partners in other parts of the world. Denave, as per the F&S Report, is the largest player in this segment with a market share of 15.4% in India in the Financial Year ended March 31, 2022. Athena is a B2C outbound tele-sales BPO, focused on the BFSI segment in India. Through these entities, we offer services related to sales, channel management and marketing to IT / technology companies and companies in the consumer durable, fast moving consumer goods ("**FMCG**"), telecom and BFSI industries. Our services include demand generation, lead management, inside sales, data base management services, digital marketing, sales and retail analytics, customer outreach, field force management, field marketing services and outbound tele-sales.

- *Employee Background Verification Check Services:* These services comprise address verification, identity verification, educational qualifications verification, employment history verification, legal case history, among others. These services are offered through our Subsidiary, Matrix, which is the third largest company in India in the segment with a share of 5.7% in the Financial Year ended March 31, 2022. (*Source: F&S Report*)

- *Audit and Assurance Services:* These services – offered through our Subsidiary Matrix – are provided to FMCG and consumer durables companies to ensure the integrity and performance of their distribution, channel and retail management operations. We provide services such as supply chain audit including warehouse depot audit, distributer audit, and retail point audit, among others. We also provide back-office services related to marketing programs and channel partner claim processing to global customers. According to F&S Report, Matrix is a leading Audit and Assurance company for dealer / distributor audits, and retail audits and its strong branch reach and field associate reach has driven the company to reach the top spot in India, with a market share of 16.2% in the Financial Year ended March 31, 2022.

- *Airport Ground Handling Services:* These services include baggage and cargo handling, passenger movement, and aircraft turnaround, among others. Ground handling is a critical activity at an airport and includes baggage and cargo loading and unloading, passenger movement, aircraft clean-ups, in-flight meals loading and unloading, aircraft marshalling and ancillary support services to aircrafts (ground power units, ground air conditioning units), among others. We also provide meet and greet services at various airports around the country. These services are provided through our Subsidiary, Global Flight Handling.

- *Mailroom Management and Niche Logistics Solutions:* These services are mainly provided through our Subsidiary, Avon. Avon is a leading service provider in India and a pioneer in the mailroom and asset movement business. It is the market leader in India with a share of 15.5% in the mailroom management services market in the Financial Year ended March 31, 2022. (*Source: F&S Report*) We leverage this presence to also offer services such as office supplies management, among others. We are not in the core logistics space and hence do not compete with the major companies in warehousing, transport and logistics. Instead, we offer customized and personalized niche logistics solutions for specific needs of our customers.

These services share common characteristics as they are all B2B services which are primarily in the nature of annuity-based services whereby the customer, once acquired, generates revenue over an extended period of time. Our annuity-based model helps in spreading out the customer acquisition costs and offers the opportunity to cross-sell and up-sell other services, thus resulting in a higher wallet share from our customers. Another common characteristic of certain of the services offered by us is that they enable efficiency in business operations for our customers. All of our services are an integral part of our customers' business and assist in forming an important part of our customers' core value creation. These services are also mostly such that they are created and offered through a combination of people, processes and technology. Except catering, none of our offerings involve any raw materials and are therefore not dependent on any commodity cycles or unpredictable input cost variations. Further, most of our offerings do not involve any major deployment of fixed assets and are therefore asset light.

We have witnessed strong growth over the years and as on date, are regarded as a leading company in many of our business areas. (*Source: F&S Report*) Between our IFM & Other services segment and BSS segment, we have a wide range of solutions across physical facilities, business processes, people management, production support, Audit and Assurance services and revenue enhancement, to serve customer needs across segments. During the Financial Years ended March 31, 2020, 2021 and 2022, and in the six months period ended September 30, 2022, our IFM & Other services segment accounted for 91.57%, 90.46%, 79.59% and 71.81% whereas our BSS segment accounted for 8.63%, 9.74%, 20.73% and 28.76%, of our revenue from contracts with customers, respectively.

Our portfolio of services has also evolved over the years to cater to the needs of diverse customer segments across a range of sectors including FMCG, manufacturing and engineering, banking, financial services and insurance ("**BFSI**"), healthcare, information technology / information technology enabled services ("**IT / ITeS**"), automobiles, logistics and warehousing, airports, ports, infrastructure and retail, among others. As on December 31, 2022, we served 2,589 customers across various sectors, including certain marquee global and Indian customers such as Procter & Gamble Home Products Limited ("**P&G**"), Aditya Birla Fashion and Retail Limited ("**ABFRL**"), Microsoft, Hyundai Motor India Limited ("**Hyundai**"), Saint-Gobain India Private Limited ("**Saint-Gobain**"), Tata Consultancy Services Limited ("**TCS**"), Mindtree Limited ("**Mindtree**"), Honda Motorcycle and Scooter India Private Limited ("**Honda**"), IIFL Finance Limited ("**IIFL Finance**"), SBI Life Insurance Company Limited ("**SBI Life Insurance**"), Sony India Private Limited ("**Sony**") and Shriram Transport Finance Company Limited ("**Shriram Transport**"). Our portfolio of services and a diverse customer base have enabled us to design and deliver a range of customized solutions suited to the specific needs of our customers. This range of services has also meant that we are able to cater to a larger set of needs of each customer and thus aim for a larger share of their spends on IFM & Other services, and BSS. As a testimony to the quality of services rendered and to our focus on customer satisfaction, we have been recognized by many of our customers over the years. Some of the more recent recognitions conferred upon us include honour of excellence award from Saint-Gobain for our continued support to their operations through the years 2020 and 2021, service provider of the year award from Expeditors in the year 2021, and award for best engineering service provider from Delhi International Airport Limited in the year 2018.

Over the years, we have grown to become a pan India player, with a widespread network consisting of 4,656 locations (excluding staffing locations) managed from 127 points of presence with 114 offices situated in India and 13 offices situated overseas, as of December 31, 2022. Our widespread network enables us to service a large number of customers and render customized services across India where we are required to provide services as per the specific needs of the customer through a combination of manpower, materials, supervision, technology and economic models.

In addition to growing organically, we have also undertaken acquisition of various businesses over the years where our strategy has been to acquire and integrate businesses that are complementary to ours thereby enabling the creation of a larger business services platform. Whilst we acquired an initial stake in Avon in the Financial Year ended March 31, 2007, some of our recent acquisitions comprise the acquisition of Global Flight Handling in the Financial Year ended March 31, 2019, Matrix in the Financial Year ended March 31, 2020, Washroom Hygiene Concept in the Financial Year ended March 31, 2020, Denave in the Financial Year ended March 31, 2022 and Athena in the Financial Year ended March 31, 2023, and through these strategic investments, we have added higher value added businesses which as a consequence are also higher margin businesses. These acquisitions have been undertaken with a view to not only diversify and broaden our service mix, but also to improve our overall margins and to enable us to move up the value chain in terms of more value added services connected to the customers revenue and growth objectives versus only cost and efficiency objectives. Through these acquisitions, we have added services such as employee background verification check services, Audit and Assurance, feminine hygiene care solutions, sales enablement services and airport ground handling services, amongst others, to our service portfolio. In addition, our acquisition of Denave has allowed us an entry into south-east Asia and certain selected European geographies.

Owing to the COVID-19 pandemic, the operations at the locations of a number of our customers were disrupted and consequently, we witnessed a slight reduction in our revenue from contracts with customers from ₹ 13,148.86 million in the Financial Year ended March 31, 2020 to ₹ 12,100.32 million in the Financial Year ended March 31, 2021. Our total income also consequently reduced from ₹ 13,167.81 million in the Financial Year ended March 31, 2020 to ₹ 12,163.51 million in the Financial Year ended March 31, 2021. However, our total income in the Financial Year ended March 31, 2022 increased to ₹ 14,978.93 million, at 23.15% over our total income in the Financial Year ended March 31, 2021. Set forth below are certain financial information with respect to our two primary segments as per Ind AS 108 – Operating Segments for the Financial Year ended March 31, 2020, 2021, 2022 and for the six months period ended September 30, 2022:

Particulars	Financial Year ended March 31, 2020		Financial Year ended March 31, 2021		Financial Year ended March 31, 2022		Six months period ended September 30, 2022	
	₹ in million	**% of Total Segments**	**₹ in million**	**% of Total Segments**	**₹ in million**	**% of Total Segments**	**₹ in million**	**% of Total Segments**
Revenue								
- Integrated Facility Management Services	12,375.75	91.55%	11,220.15	90.44%	12,182.62	79.65%	7,304.30	71.84%
- Business Support Services	1,142.00	8.45%	1,186.13	9.56%	3,112.62	20.35%	2,863.80	28.16%
Total Segments	**13,517.75**	**100.00%**	**12,406.28**	**100.00%**	**15,295.24**	**100.00%**	**10,168.10**	**100.00%**
Adjustments & Eliminations	(349.94)		(242.77)		(316.31)		(203.53)	
Total Revenue	**13,167.81**		**12,163.51**		**14,978.93**		**9,964.57**	

Our Market Opportunities and Regulatory Impetus

We are conscious of the environment that we operate in, the context of business as well as the underlying trends that we see and which we believe may impact our future business. Some of these underlying trends are as follows:

- *Formalization of the economy:* India is transitioning towards a formal economy backed by the growth in Goods and Services Tax ("**GST**") registered businesses, digital payment systems, increase in income of taxpayers, enrolment of informal sector workers on numerous government portals like e-Shram, growth in formal banking systems among others. (*Source: F&S Report*) Another factor indicating the movement towards formalization is the increase in Employees Provident Fund Organisation ("**EPFO**") beneficiaries, which highlights the growth in labour force is being employed in the formal sector that are regulatory compliant. (*Source: F&S Report*) This shift towards formalization would drive the demand for organized IFM services in the long-term. (*Source: F&S Report*)

- *Growth in real estate sector, particularly commercial, residential, and retail segments:* Increase in real estate stock has a direct implication on the growth of the IFM market. (*Source: F&S Report*) Regular investments in office, residential and retail segments lead to the rapid addition to India's real estate stock across commercial, residential, retail, industrial and warehousing. (*Source: F&S Report*)

    (i) Office *real* estate: With many of the businesses and organizations returning to work from office, the gross leasing volume in 2022 stood at 49.8 million square feet, which is the highest since the pandemic. (*Source: F&S Report*) New project completions in 2022 was 58.3 million square feet, recording a year-on-year growth of 27.9%. (*Source: F&S Report*)

(ii) Residential real estate: Residential segments witnessed a surge in demand, with 215,000 units sold in 2022 across top seven cities such as Mumbai, Delhi NCR, Bengaluru, Hyderabad, Chennai, Kolkata and Pune. (*Source: F&S Report*) This is the highest sales in the past 10 years. (*Source: F&S Report*) New project launches in 2022 stood at 247,000 units, which is 81% higher than 2021. (*Source: F&S Report*)

(iii) Retail real estate: Retailers Association of India has said that about 25 million square feet of mall space is expected to be added in India over the next four to five years, Delhi NCR, Hyderabad, and Bengaluru are the top destinations for retail mall space. (*Source: F&S Report*) Top seven cities added 2.6 million square feet of mall space in 2022, which is 27% more than that of 2021. (*Source: F&S Report*)

- *Industrialization:* India's competitive manufacturing segment is driving the adoption of industrialization. Growth in exports, import substitution, increasing internal demand and penetration of contract manufacturing are driving industrialization in India. (*Source: F&S Report*) Several government initiatives are supporting the growth of industrial segment in India. Major ones include:

(i) *Production Linked Incentives ("**PLI**") Schemes:* This was announced in March 2020 and later updated in November 2020 to create national manufacturing champions. (*Source: F&S Report*) The key objectives of the scheme are to scale up domestic manufacturing facilities, increase import substitution through domestic production and generate employment opportunities. The PLI scheme provides turnover linked incentives to investors upon meeting the set criteria in terms of investment, capacity, and turnover. (*Source: F&S Report*)

(ii) *Industry 4.0:* This refers to implementing big data, robotics, the internet of things ("**IoT**"), artificial intelligence, machine learning and cloud services for industrial operations. (*Source: F&S Report*) India is at a nascent stage in the adoption of Industry 4.0 and has higher growth potential in India, supported by the industrial and digital initiatives by the government. (*Source: F&S Report*)

(iii) *China Plus One Strategy:* This refers to the diversification of supply chains from China. (*Source: F&S Report*) The recent global pandemic brought supply chain disruptions and the Ukraine-Russia war has exacerbated it. (*Source: F&S Report*) So, the global companies are looking beyond China for supply chains. India, with its cost competitiveness could benefit from this strategy and develop its manufacturing sector. (*Source: F&S Report*) This would drive demand for IFM services and other support services. (*Source: F&S Report*)

- *Digitalization:* Government of India has taken several initiatives to improve digital infrastructure and increase internet access among citizens. (*Source: F&S Report*) Major initiatives such as the Aadhar, DigiLocker, BharatNet, Common Service Centers, Digitisation of Post Offices, Universal Access to Mobile, India Stack, Pradhan Mantri Gramin Digital Saksharta Abhiyaan, Unified Mobile Application for New-age Governance ("**UMANG**"), Unified Payment Interface ("**UPI**"), Open Government Data Platform, Open Network for Digital Commerce ("**ONDC**"), and Jan Dhan-Aadhar-Mobile ("**JAM**") Trinity are expected to increase the adoption of digitalization in India. (*Source: F&S Report*) This would be supported by the penetration of smartphones. (*Source: F&S Report*) Growth in digitalization would lead to the deployment of sophisticated building management systems, which would eventually widen the scope for IFM and BSS companies in the long-term. (*Source: F&S Report*) Service providers are capturing and processing vast amount of data, designing new and value-added offerings to customers by leveraging digitalization. (*Source: F&S Report*) Digitalization as a trend is also impacting the IFM service delivery; IFM companies would see benefits through internal efficiency gains and therefore are able to pass on the benefit to their client. (*Source: F&S Report*)

- *Consolidation and merger and acquisitions:* Organized players are gaining more popularity in terms of adding more service activities through mergers or tie-ups with regional players. (*Source: F&S Report*) Business Support Services is seen as an extension of IFM services particularly in commercial segment. (*Source: F&S Report*) Therefore, IFM services companies can be seen foraying into support services such as manpower supply, warehousing, and employee background verification check services through acquisitions. (*Source: F&S Report*)

- *Outsourcing of non-core activities:* Businesses / companies are increasingly using outsourcing of facilities management services as a strategy, to achieve strategic advantages like improving their competitive advantage and achieving market preservation or dominance goals. (*Source: F&S Report*) Outsourcing is evolving rapidly across the world; in the past decade, the main objective of outsourcing was cost optimization but today organizations want to outsource facilities management services to free-up internal resources to deliver strategic value. (*Source: F&S Report*) They are pursuing these objectives by focusing on their core business activities, by acquiring marketable benefits (or by gaining cost efficiencies) from strategic partners, through outsourcing. (*Source: F&S Report*)

- *Outsourcing of revenue generating activities:* With changing business dynamics and complexity, many services, such as employee background verification check and sales enablement, that were previously performed in-house, are being outsourced. (*Source: F&S Report*) The increase in preference for outsourcing is expected to grow in the long term and this would spike the demand for BSS. (*Source: F&S Report*) As changing market conditions have impacted and transformed the buyer environment, sales enablement service has become critical. (*Source: F&S Report*) Buyers today are aware, and sellers who only provide value stand to achieve business success. (*Source: F&S Report*) The rising need to improve internal business processes and the complementing sales efforts with advanced technology are the key factors driving the growth of sales enablement services market in India. (*Source: F&S Report*) One of the customer needs is to improve the target and the efficiency of their business development teams by providing them qualified leads. (*Source: F&S Report*) This is a global trend with multinational customers outsourcing activities to delivery partners and centers across the world similar to the IT industry. (*Source: F&S Report*)

Our Competitive Strengths

Over the years, our Company has developed a set of key strengths that has enabled it to serve customer needs better. Some of our key competitive strengths are set forth hereunder.

Leading integrated business services platform, operating across diverse segments

We are a leading, focused, and integrated business services platform in India offering IFM services and BSS to our clients, with a pan-India presence. (*Source: F&S Report*) We commenced operations over 30 years ago as a Chennai based facilities management organisation and have since, grown to have a pan India presence and become the second largest company in the IFM space across the country. (*Source: F&S Report*)

Within the IFM & Other services segment, our Company operates across service lines such as soft services, production support services, engineering services, warehousing management, pest control and horticulture that have been added by us organically, over a period of time. We have also organically expanded into procurement and supply of consumables, machines and related items for the facilities management industry. We have also grown inorganically through multiple acquisitions and have expanded our services portfolio over the years by venturing into higher margin services such as mailroom management and niche logistics solutions, Audit and Assurance services, employee background verification check services, washroom and feminine hygiene care solutions and sales enablement services, to now become one of the leading integrated business services platforms.

The various acquisitions undertaken by us over a period of time have, in addition to resulting in the expansion of our services portfolio, allowed us to achieve leading positions in a number of our business segments. We have not only expanded horizontally by venturing into entirely new service lines but also offered services that are complementary to our existing services portfolio such as washroom and feminine hygiene care solutions, mailroom management services and catering services. We believe our suite of business services has enabled us to address a diverse set of customer needs and acquire new customers, and has expanded our geographic presence in key markets in India.

Our Company is the second largest player in the highly fragmented soft services segment market in India with a share of 4.2% in the Financial Year ended March 31, 2022, and is also one of the leading companies providing services to healthcare segment. (*Source: F&S Report*) Within the PSS segment, we are the market leader in India in this extremely fragmented segment with a market share of 1.8% in the Financial Year ended March 31, 2022, and are one of the leading PSS providers to the automotive segment in India. (*Source: F&S Report*) In addition, we have the widest service offering in the BSS market, thus positioning us in a unique spot in the BSS market in India. (*Source: F&S Report*) Within our BSS segment, we offer employee background verification check services through our Subsidiary, Matrix which is the third largest company in India in the segment with a share of 5.7% in the Financial Year ended March 31, 2022. (*Source: F&S Report*) According to F&S Report, Matrix is also a leading Audit and Assurance company for dealer / distributor audits, and retail audits and its strong branch reach and field associate reach has driven the company to reach the top spot in India, with a market share of 16.2% in the Financial Year ended March 31, 2022. We also offer mailroom management services through our Subsidiary, Avon which is a market leader in India with a share of 15.5% in the mailroom management services market in the Financial Year ended March 31, 2022. (*Source: F&S Report*) Further, our Subsidiary, Denave through which we offer sales enablement services, is the largest player in this segment with a market share of 15.4% in India in the Financial Year ended March 31, 2022, as per the F&S Report.

Set forth below are certain financial information with respect to our two primary segments as per Ind AS 108 – Operating Segments for the Financial Year ended March 31, 2020, 2021, 2022 and for the six months period ended September 30, 2022:

Particulars	**Financial Year ended March 31, 2020**		**Financial Year ended March 31, 2021**		**Financial Year ended March 31, 2022**		**Six months period ended September 30, 2022**	
	₹ in million	**%**	**₹ in million**	**%**	**₹ in million**	**%**	**₹ in million**	**%**
Revenue								
Integrated Facility Management Services	12,375.75	91.55%	11,220.15	90.44%	12,182.62	79.65%	7,304.30	71.84%
Business Support Services	1,142.00	8.45%	1,186.13	9.56%	3,112.62	20.35%	2,863.80	28.16%
Total segments	**13,517.75**	**100.00%**	**12,406.28**	**100.00%**	**15,295.24**	**100.00%**	**10,168.10**	**100.00%**
Adjustments & eliminations	(349.94)		(242.77)		(316.31)		(203.53)	
Total Revenue	**13,167.81**		**12,163.51**		**14,978.93**		**9,964.57**	
Depreciation and amortization expense								
Integrated Facility Management Services	118.03		95.08		80.83		81.84	
Business Support Services	30.30		33.44		50.55		34.98	
Adjustments & eliminations	13.34		21.34		33.96		26.07	
Total Depreciation and amortization expense	**161.67**		**149.86**		**165.34**		**142.89**	
Finance Costs								
Integrated Facility Management Services	103.94		33.34		73.56		48.21	
Business Support Services	4.97		3.47		16.67		8.61	
Adjustments & eliminations	(32.90)		(7.10)		(39.55)		(9.23)	
Total Finance costs	**76.01**		**29.71**		**50.68**		**47.59**	
Fair value changes in Liability payable/paid to promoters of acquired subsidiary								
Integrated Facility Management Services	-		-		-		-	
Business Support Services	-		-		-		-	
Adjustments & eliminations	(29.37)		(38.75)		(213.48)		(274.38)	
Total Fair value changes in Liability payable/paid to promoters of acquired subsidiary	**(29.37)**		**(38.75)**		**(213.48)**		**(274.38)**	
Segment Profit								
Integrated Facility Management Services	279.51	2.26%	351.59	3.13%	436.41	3.58%	237.91	3.26%
Business Support Services	106.98	9.37%	166.35	14.02%	493.19	15.84%	353.74	12.35%
Adjustments & eliminations	(19.92)		26.32		(220.19)		(281.68)	
Segment Profit	**366.57**	**2.78%**	**544.26**	**4.47%**	**709.41**	**4.74%**	**309.97**	**3.11%**
Restated profit for the year/period	**330.78**		**475.61**		**573.69**		**201.93**	

Based on Restated Consolidated Financial Information								
Particulars	**Financial Year ended March 31, 2020**		**Financial Year ended March 31, 2021**		**Financial Year ended March 31, 2022**		**Six months period ended September 30, 2022**	
	₹ in million	**%**	**₹ in million**	**%**	**₹ in million**	**%**	**₹ in million**	**%**
Total Income	13,167.81		12,163.51		14,978.93		9,964.57	
EBITDA*	597.16	4.54%	702.24	5.78%	865.37	5.80%	471.96	4.75%
Adjusted EBITDA*	659.09	5.01%	722.74	5.95%	1,086.97	7.29%	752.25	7.57%

** EBITDA % and Adjusted EBITDA % are calculated as % of Total Income (excluding Finance Income)*
Note: All the percentages are calculated as % of Total Income (excluding Finance Income).

From the Financial Year ended March 31, 2020 to the Financial Year ended March 31, 2022, our growth in total income has primarily been driven by a growth in our BSS segment, which grew at a CAGR of 39.41%. This is on account of to our keen focus on expanding the relatively higher margin BSS segment.

Our long-standing presence in India has helped us gain an understanding of the market, which we believe has largely contributed towards the growth in our operations and profitability. We also believe that factors such as our diverse range of services, customer base across sectors, ranging from manufacturing to retail sector and healthcare to metro rail and airports, and the strength of our brand, have enabled us to strengthen our leading position.

Longstanding relationship with customers across diverse sectors leading to recurring business

We primarily provide IFM & Other services and BSS to customers across a diverse range of industries and sectors. Within the IFM & Other services segment, we offered our services to industries including such as healthcare, manufacturing, automobile, BFSI and consumer products with some of our marquee customers being TTK Healthcare Limited ("**TTK Healthcare**") within healthcare, Saint-Gobain within manufacturing, Hyundai, Honda Motorcycle and Eicher Motors Limited within automobile, Shriram Transport, SBI Life Insurance and IIFL Finance within BFSI, and Sony within consumer products, among others. Within the BSS segment, we offered our services to industries including such as retail, IT / ITeS, consumer products, global technology, IT and electronics, airlines, and telecom and communications with some of our marquee customers being More Retail Private Limited ("**More Retail**") and ABFRL within retail, TCS and Mindtree within IT / ITeS, P&G and Hershey India Private Limited ("**Hershey**") within consumer products, Microsoft within global technology, Logitech (Electronics) India Private Limited ("**Logitech**") within IT and electronics, SpiceJet Limited ("**SpiceJet**") and AIX Connect Private Limited ("**AIX Connect**") within airlines sector and Tata Communications within telecom and communications. Such a diverse base of customers has allowed us to not only reduce our vulnerabilities to economic cycles but also our dependence on any particular set of customers.

Our diversified customer base is further substantiated by the fact that our top ten customers within the IFM & Other services segment accounted for 27.30%, 35.39%, 35.30%, and 34.25% of our total income whereas our top ten customers within the BSS segment accounted for 39.26%, 51.17%, 46.76%, and 49.33% of our total income, in the Financial Years ended March 31, 2020, 2021 and 2022, and in the six months period ended September 30, 2022, respectively. While we have established relationships with many customers, we believe we do not have any material dependence on a single or a few customers. Apart from the above-mentioned services, we also leverage our existing customer base to cross-sell services such as production support and catering to customers including such as Eicher Motors Limited. Well known international brands including such as Hyundai, Saint-Gobain and P&G, have been our customer for over 10 years, as on December 31, 2022.

We believe our ability to offer customized services to fit the needs of our customers across various business verticals allows us to deepen our relationships with our customers and enables us to target a greater share of their requirements thereby leading to recurring business. In addition, through our acquisitions, we have been able to widen our scope of services to our existing client base thereby increasing our customer retention in the process and also increasing our value proposition. Our pan India presence, the ability to hire, train and deploy people across the country and the capability to deliver services that satisfy the needs of our customers, have enabled us to retain customers for long periods of time. We believe that our effort to develop a consultative, long-term partnership model of service delivery has enabled us to not only effectively capitalize on our customers' increasing service requirements, but also increase our market share and reduce the revenue and earnings uncertainty associated with the short-term nature of most of our customer contracts. This is also a self-sustaining advantage as the longer we stay with our customers, the better our understanding of the customers' requirements become, and thus the better/ our ability to serve the customers to their satisfaction.

Track record of successful acquisition and integration of high margin business segments

We have established a track record of successful inorganic growth through strategic acquisitions to supplement our business segments, diversify our revenue streams, and integrate such acquired businesses to further strengthen our services portfolio. We have pursued selective strategic acquisitions as a means to expand our operations, enhance our global competitive position and capitalise on potential operational synergies. Our focus has been to acquire companies and businesses whose offerings are complementary and supplementary to ours. All our acquisitions have added either a new customer segment, new service line, or a new geography to us. We believe that we have been able to selectively identify strategic acquisition and investment targets in the past, and make successful acquisitions and integrate them as well as to grow them. These acquisitions have also enabled us to leverage the existing businesses and brand equity and to diversify our revenue streams, obtain employee talent and thus expand our presence across the value chain. Consistent with our conservative funding philosophy, these acquisitions have primarily been undertaken through internal accruals rather than through any significant acquisition financing.

Set forth hereunder are certain of our past acquisitions that have added to our portfolio of services:

- ***Avon Solutions and Logistics Private Limited***: We initially acquired 51% stake in Avon in the Financial Year ended March 31, 2007, and thereafter acquired an additional 25% stake in the Financial Year ended March 31, 2018. This acquisition allowed us to provide mailroom management services, logistics consulting, asset movement and niche logistics services customized to the specific requirements of our customers.

- ***Matrix Business Services Private Limited***: We initially acquired 75% stake in Matrix in the Financial Year ended March 31, 2020, and thereafter, acquired the remaining stake in multiple tranches. As on the date of this Draft Red Herring Prospectus, this company is our wholly owned Subsidiary. This acquisition added critical services for us such as employee background verification check services, and Audit and Assurance services to our portfolio. Within Audit and Assurance services, the main service lines are product and process audits of warehouses, depots, distributors, distribution centres, retail points, outlets and franchisees; claims processing; merchandising audits; display audits; market hygiene audits, among others.

- ***Washroom Hygiene Concept Private Limited***: We initially acquired 76% stake in Washroom Hygiene Concept in the Financial Year ended March 31, 2020 and thereafter, acquired the remaining stake in multiple tranches. As on the date of this Draft Red Herring Prospectus, this company is our wholly owned Subsidiary. Through this acquisition, we provide feminine hygiene care solutions and products and services such as air fresheners, sanitizers and washroom solutions such as sanitizer dispensers and refills, surface sanitizing system services, vending and utility machines, hand hygiene system and solutions, amongst others.

- ***Denave India Private Limited***: We acquired 54.07% stake in Denave in the Financial Year ended March 31, 2022. The services provided by Denave include demand generation, lead management, inside sales, data base management services, digital marketing, sales and retail analytics, customer outreach, field force management as well as field marketing services.

- ***Athena BPO Private Limited***: We acquired 57% stake in Athena in the Financial Year ended March 31, 2023. The services provided by Athena include tele sales business process outsourcing.

We have historically introduced operating efficiencies, revenue growth and have increased profitability of our acquired businesses, resulting in increased operating margins on a consolidated level. For instance, we have significantly grown the business and improved the financial performance of Avon, Matrix and Denave following their acquisition by our Company.

The table below sets out further information on the financial performance of certain of our Subsidiaries following their acquisition by our Company:

(*₹ in million, unless otherwise specified*)

Acquired Entity	Year of acquisition*	Financial Year ended March 31, 2020	Financial Year ended March 31, 2021	Financial Year ended March 31, 2022	Six months period ended September 30, 2022
Matrix[(1)]					
Total Revenue	Financial Year ended March 31, 2020	757.01	600.15	1,032.76	635.03
EBITDA		126.57	68.71	303.12	183.92
PAT		65.86	29.99	199.90	120.76
ROCE (%)		29.27%	10.55%	48.64%	18.34%[#]
Denave[(2)]					
Total Revenue	Financial Year ended March 31, 2022	NA	NA	2,648.60	1,767.21
EBITDA		NA	NA	168.01	150.27
PAT		NA	NA	111.44	115.45
ROCE (%)		NA	NA	26.99%	18.42%[#]

(1) Our Company currently holds 100% of the paid-up share capital in Matrix.

(2) Our Company currently holds 54.07% of the paid-up share capital in Denave.

 # Not annualized.

* *Year of acquisition in the table above denotes the year of completion of first tranche of acquisition, when the respective company became our Subsidiary. Financial Year ended March 31, 2007 was the year of acquisition of Avon while Matrix was acquired in the Financial Year ended March 31, 2020. Denave was acquired in the Financial Year ended March 31, 2022.*

Each of our acquisitions has been such that they have added a new service line, given us access to a new set of customers, and have added to our margin profile. Cumulative payout by the Company for the respective stake in the acquisition of Matrix and Denave (which is a new acquisition to diversify into Business Services Segment) from April 1, 2019 until September 30, 2022, is 1,183.69 million in the aggregate. Total EBITDA of these acquisitions for the Financial Years ended March 31, 2022 and six months period ended September 30, 2022 is ₹ 471.13 million and ₹ 334.19 million, respectively. This demonstrates our Company's track record to engage in value accretive acquisition at reasonable valuations. Further, during the period from March 31, 2019 to September 30, 2022, there was no external equity financing for the acquisitions and the net debt of the Company has changed from ₹ 46.33 million to ₹ 172.00 million during the same period.

Pan India presence with large and efficient workforce coupled with strong recruitment capabilities

As of December 31, 2022, we had a widespread network consisting of 4,656 locations (excluding staffing locations) managed from 127 points of presence with 114 offices situated in India and 13 offices situated overseas. These offices are spread across 25 states in India, comprising 22 offices in north India, 44 offices in south India, 15 offices in east India and 33 offices in west India, giving us a nation-wide presence as well as 13 locations overseas. This nation-wide presence enables us to offer services to customers who prefer a single service provider for their operations at multiple locations. For instance, through these points of presence we have deployed resources for SBI Life Insurance at 789 number of locations and for Sony, we have deployed resources at 516 number of locations, across the country. A pan India presence enables us to recruit, train and deploy resources at various customer locations within a short span of time and enables us to respond to changing customer requirements, efficiently and effectively. This presence also allows us to monitor the work of our employees at various customer locations and to administer to the needs of our employees quickly and in a manner relevant to them. For instance, local presence sensitises us to local customs, local festivals as well as local expectations in terms of remuneration. This enables us to ensure service levels at our customer locations while keeping local requirements in mind.

We have implemented processes and systems that have resulted in operational and technological excellence, particularly in our ability to identify the appropriate human resources to suit the customer requirements. Our recruitment is undertaken entirely in-house and we are not dependent on any external agencies for this purpose. In the Financial Years ended March 31, 2020, 2021 and 2022 and in the nine months period ended December 31, 2022, we recruited 48,168 employees, 35,972 employees, 40,689 employees and 39,046 employees, respectively. We have implemented a standardized recruitment, training, deployment, operations and quality measurement processes that we believe have enabled us to develop a scalable and consistent business model. Our in-house model coupled with large pool of resources enable us to ramp up / ramp down activities effectively and quickly. This has also enhanced our capability of multi-tasking and repositioning of resources to and from other locations, as and when required. Further, every on-site employee undergoes a mandatory on-the-job training in their respective domains for 50 to 100 hours.

We also have internal certifications for employees to identify their level of expertise in their respective domain which helps us in placing the right resource in the right job enhancing their career progression. Our high commitment work systems policy empowers independent teams to work with responsibility and accountability in an environment of transparency and increased employee involvement. This in turn, we believe, has helped our Company achieve its goals successfully, in a competitive environment.

In addition, our Company is actively engaged in various Government affiliated up-skilling programs as a part of the Skill India program, for providing aspiring candidates a professional career in the IFM & Other services through comprehensive ground level training in various facets of the industry. Through this foundation, our Company offers candidates belonging to backward classes, education and training, thereby improving their livelihood and standing in their community. As of December 31, 2022, 1,829 candidates have trained with us.

Technology at the forefront of our current and future business

Technology has been an integral part of our business. We believe that technology is a huge enabler in driving speed, accuracy, efficiency, customer satisfaction, better service delivery and as a result, deriving revenue and profitability. Our Company as well as our Subsidiaries have adopted and developed appropriate technology that not only helps them become more efficient and effective but also drive customer satisfaction and market competitiveness. We have a well-developed technology function with our group Chief Technology Officer and an in-house operating team driving many initiatives such as building cloud based digital attendance and onboarding platform for the workforce in order to help optimize productivity and improve cost efficiencies as well as digital transformation to re-platform and upgrade the current background verification application underpinning the core platform for our Subsidiary Matrix.

Our approach and investments in technology are driven by the following core areas:

- *Enterprise technology:* This is the technology that enables us to run our Company in a well-controlled, accurate and efficient manner. Systems Applications and Products in Data Processing ("**SAP**") is critical to our operations and we use it for financial record keeping, reporting, analytics and consolidation. Apart from SAP, we use various technology products to control every facet of our operations such as analytics and decision making, people management, workflow management, inventory management, among others. In terms of hardware, we have continuously optimised our hardware deployment which is today a prudent mix of on-site and cloud infrastructure. We have been especially mindful of cyber security, disaster recovery and business continuity planning with respect to technology.

- *Service delivery technology:* This is the technology that enables us to improve our service delivery to our customers. This includes automation of processes to manage our field force of over 50,000 employees and spans activities such as on-boarding, attendance management, employee life cycle management, task assignment, task tracking, reporting and dashboarding, ticket management, among others.

- *Technology as a product and as revenue generator:* Our Subsidiary Wynwy, recently completed the development and beta release of an indigenously developed software product – *Inconn*. This product is a combination of a computerised maintenance management system ("**CMMS**") as well as an enterprise asset management ("**EAM**"). This product will be marketed as an independent product to customers seeking to automate their maintenance and building management systems and on board their service providers. This product is expected to help our customers to gain visibility and control of their various assets such as HVAC systems, lighting, diesel generator sets; assign and track tasks – routine as well as onetime; manage their processes and resources; and thus optimise their cost and reliability of operations. Our Company will also offer this product to its customers and use it where appropriate, to automate its own locations as well.

In addition to the above, we are also keeping an eye on emerging technology trends that may have an impact on our businesses. We are also selectively investing in such technology platforms and businesses to stay ahead of the curve. For instance, we have recently made a minority investment in a company Aubotz Lab Private Limited which is engaged in manufacturing autonomous robotic platforms for a variety of applications such as floor cleaning, material handling, amongst others. We have already deployed certain of these robots at our customer locations and have received positive customer feedback. While our business is largely human driven, we are a business services company focused on solutions, and believe that automation is critical to our business as automation of routine tasks improve reliability. Further, robotics and automated platforms for cleaning and material movement also improve the cost of services and the economics of our customers.

Highly experienced Management team with backing from large PE Investors

Our Company was founded by our Promoter and also our Chairman and Managing Director, Raghunandana Tangirala, who has led the company for over three decades with his vision, leadership and guidance. Raghunandana Tangirala, has over 30 years of experience in the integrated business services industry and has driven our growth over the years. Another key element that guides our management is our Board that comprises qualified and industry experienced Directors with a proven track record in the corporate world.

We are also supported by a robust management and operations team of individuals who are well-qualified and experienced in their respective areas and who have demonstrated their ability not only to manage and grow our operations organically, but also to assist in acquiring and integrating other businesses. This team has also been instrumental in establishing and maintaining enduring relationships with our customers. Our business growth is also attributable to our strong management culture fostered by an entrepreneurial spirit and an ownership mindset. We believe this culture enables us to attract, train and retain talented professionals. In addition, our ability to retain our talented pool of employees has also been significantly enhanced by the issuance of employee stock options to our key employees from time to time. Each of our service verticals is independently managed by experienced vertical heads having in-depth knowledge of our industry.

We have also developed our mid management team and introduced streamlined operating processes and organization structures. Our senior and mid management is supported by other skilled workers who benefit from our regular in-house training initiatives. Every employee, upon getting recruited, is required to undergo an on-boarding and orientation program and certain specific employees also receive 50 – 100 hours of domain-specific, on-the-job training. We also assign buddies, who are mentors to guide the employees beyond these training activities. Our Company has also recently introduced a system where our employees shall have a clear goal sheet with quantifiable goals which shall be tracked periodically. This is expected to help bring role clarity and also guide clear and transparent conversations at the time of performance evaluation.

Our Company received private equity investment from New Vernon Private Equity Limited ("**New Vernon**") in the Financial Year ended March 31, 2006 and thereafter, in the year 2008, New Vernon's stake in our Company was acquired by ICICI Venture Funds Management Company Limited which remained invested in our Company until 2016. Subsequent to this, in 2017, our marquee shareholder, MO Alternate Investment Advisors ("**MOAIA**") invested in our Company and their presence has since, helped us enhance our operations and strengthened our financial and internal controls. Investments from such marquee investors has allowed us access to expertise in various areas, especially in the area of mergers and acquisitions, from the team at MOAIA. This expertise has contributed significantly to our inorganic growth strategy and in making significant acquisitions such as Matrix, Washroom Hygiene Concept, Denave and Athena, amongst others. In addition to assisting us with capital raising and strategic business advice, MOAIA as well as our past private equity investors, have, over the years, assisted us in implementing strong corporate governance standards, which we believe have been critical to the growth of our businesses.

Our Business Strategies

We believe we have a significant opportunity in our markets and focus areas given our differentiated value proposition of providing high-quality, innovative services at compelling value. In view of this, and the underlying trends as discussed in "- ***Our Market Opportunities And Regulatory Impetus***" on page 202, set forth hereunder are our key business strategies:

Retain, strengthen and grow customer base with a focus on deepening relationships with existing customers

Our contracts with most of our customers is for a period of at least one year which subsequently gets renewed, on an ongoing basis. As a result, our business is on an annuity-based model where a customer once secured, generates revenue over a long period of time. We have over the years established long-term relationships with our customers leading to recurrent business engagements with them. We believe we have been able to retain existing customers and attract new customers because of our brand, strong market position and delivery of quality services. Our value of "*Better Everyday*" means that we focus on quality customer service delivery and operational excellence on a daily basis, thus delivering superior customer service and satisfaction. This also means that we focus sharply on leveraging technology to improve service delivery, improve the visibility of service delivery via dashboards and also improve reliability and cost of service delivery. We believe that our customer retention levels reflect our ability to provide high quality services, and our consistent customer servicing standards have enabled us to increase our customer dependence on us. This has also allowed us to cross-sell our offerings to our customers thus resulting in a higher wallet share from our customers.

We believe that we will grow as our customers grow owing to an increase in the volume of services, the scope of services and the value add of services. As the scope and value add of outsourced IFM services increases, the demand for organized and standardized services and subsequent outsourcing of such services to organized service providers like us will also increase. (*Source: F&S Report*) The increasing demand for facilities management services, energy efficiency, stringent quality and compliance standards and the increased need for mechanized cleaning, are the key industry trends which will drive demand for organised facilities management and as a result, will consolidate the business amongst organised players. (*Source: F&S Report*) Our pan India presence is also expected to drive our growth as customers seek larger partnerships with fewer service providers thus consolidating their business partner network.

We also intend to further develop and implement technological and customer-oriented initiatives as we believe these will allow us to diversify our service offerings and exploit future growth opportunities. For instance, our asset management software tool "*Inconn*" which has recently been released on a test basis, will enable us to offer a new set of services to our customers and enhance their control over their assets, and also improve operating parameters such as maintenance costs, energy consumption, among others.

We believe a robust and loyal customer base is a significant strategic advantage to our Company and this is a strategy that we intend to pursue strongly into the future.

Grow market share in key segments

We seek to grow our business through the acquisition of new customers across industry segments such as commercial real estate, industrial facilities, warehousing and public infrastructure such as airports, amongst others. Our customer acquisitions are usually undertaken through two mechanisms: mining and business development. Mining is where our customer facing teams get additional business from existing customers. The role of our business development team is to procure new customers including through our digital presence. We have a strong sales and marketing team consisting of 57 employees, as on December 31, 2022, who focus on customer development and maintaining customer relationship. A significant portion of our business development activities is undertaken by our regional operation heads. For more details, see "- *Sales and Marketing*" on page 223. In addition, we also intend to acquire new customers by becoming more competitive quality of services, technology and persistent customer development efforts.

The outsourced IFM market accounts for 39% of the total market in India and is expected to increase over the forecast period. (*Source: F&S Report*) Commercial, industrial and infrastructure segments are the major end user verticals focusing more on outsourcing the IFM services. (*Source: F&S Report*) Further, increase in real estate investments would drive the demand for various hard services and the market is expected to grow at a CAGR of 17.1% from the Financial Year ended March 31, 2022 to the Financial Year ended March 31, 2027 and reach ₹ 17,603 crore. (*Source: F&S Report*) The soft services segment market is also forecast to grow at a CAGR of 16.0% from the Financial Year ended March 31, 2022 to the Financial Year ended March 31, 2027 and reach ₹ 35,713 crore. (*Source: F&S Report*) Apart from the above, the increasing demand for integrated facilities management, energy efficiency, stringent quality and compliance standards, and the increased need for mechanized cleaning, are key industry trends which will drive demand for organized integrated facilities management and as a result, is expected to consolidate the business amongst organized players. (*Source: F&S Report*) As the scope and value add of outsourced integrated facilities management increases, the demand for organized and standardized services and subsequent outsourcing of such services to organized service providers like us will also increase. (*Source: F&S Report*) We believe we are well placed to capitalize on the expected growth in the IFM & Other services industry owing to our strong brand presence and our ability to effectively undertake our services, by targeting not only our existing customers, but also new customers.

In addition, we have a strong business development team with experienced individuals who focus on acquiring new customers across our business segments. As on December 31, 2022, we had 57 employees forming part of this business development team.

Introduce new products and services catering to existing and new customer segments

While, as per the F&S Report, we are a leading, focused, and integrated business services platform in India, we intend to further grow our position in the market and towards this end, we aim to introduce new products and services to fill gaps in our current portfolio or to enter new segments which we see as potentially large and margin accretive to us.

India has emerged as the world's fastest-growing major economy with its robust democracy and strong partnerships and is anticipated to be one of the top three economic powers in the next 10-15 years. (*Source: F&S Report*) Further, the Government of India has launched the "Make in India" initiative to facilitate investment, increase innovation, enhance skill development, protect intellectual property, and build best in class manufacturing infrastructure in the country. (*Source: F&S Report*) The Make in India campaign plays a significant role in the economic development of India as it aimed at utilizing the existing Indian talent base, creating additional employment opportunities, and empowering secondary and tertiary sector, and investments from across the globe. (*Source: F&S Report*) The outsourced IFM market is also expected to grow at a CAGR of 16.9% from ₹ 34,550 crore in the Financial Year ended

March 31, 2022 to the Financial Year ended March 31, 2027 and reach ₹ 75,478 crore. (*Source: F&S Report*) Majority of the growth is expected to be driven by the consistent growth in demand from the commercial, retail, and industrial sectors. (*Source: F&S Report*) The business support services are also forecasted to grow over the next few years. (*Source: F&S Report*)

We intend to leverage this growth and introduce newer products and services within the traditional definition of integrated facilities management as well as within the overall segment of our BSS portfolio. Our strategy on new products and services is constantly evolving basis feedback from our customers and our perception of market trends. Some of these new products and services will be organically developed and in some cases, we will examine an entry through different routes such as partnerships, alliances, minority investments, joint ventures as well as acquisitions. This will be in line with our prior investments and acquisitions such as Matrix and Denave, among others, pursuant to which, we added services such as employee background verification check services, Audit and Assurance, sales enablement services and airport ground handling services, amongst others, to our service portfolio. All our acquisitions have added either a new customer segment, new service line, or a new geography to us. For details, see "*- Our Strengths - Track record of successful acquisition and integration of high margin business segments*" on page 206. We have not only expanded horizontally by venturing into entirely new service lines but also offered services that are complementary to our existing services portfolio such as washroom and feminine hygiene care solutions, mailroom management services and catering services.

Some of the new products and services that we are currently evaluating and that are in various stages of development and introduction are:

- Value added BPO and back-office process outsourcing services across segments;
- Building infrastructure design, installation, maintenance and monitoring in areas such as fire systems and security systems;
- Expansion of Audit and Assurance related services in other areas of product and process audits, testing, training, compliance and certification;
- Specialized staffing services including IT staffing;
- Expansion of airport based services;
- Value added human resource and employee services; and
- Innovative revenue and demand generation services by leveraging digitization and new emerging technologies including software, IoT and robotics.

We believe, each of these areas already command a large market or are expected to gain market share and accordingly, we intend to be prepared to capitalise on this growth opportunity.

Pursue inorganic growth through strategic acquisitions of high margin businesses supplemental to our operations

Over the years, we have focused on moving up the value chain of complexity and specialization by enhancing our product and service portfolio, including through acquisitions, in order to be able to provide diversified and more complex services to our customers. As our service capabilities evolve, we intend to increase our focus on further diversifying our services portfolio and providing higher value added and consequently, higher margin services to our customers.

Even as we continue to focus on maintaining and enhancing our organic growth momentum, we intend to further explore inorganic expansion by leveraging on the experience that we have gained through our prior acquisitions, with a particular focus on niche high-margin businesses. We have grown our business, geographical presence and our service portfolio over time, through strategic acquisitions in the past which have further enhanced our business operations, growth, margin profile and future prospects. Certain of our recent acquisitions comprise the acquisition of Matrix, Washroom Hygiene Concept, Global Flight Handling, Denave and Athena pursuant to which, we have been able to add high margin services including such as employee background verification check services, Audit and Assurance services, feminine hygiene care solutions, sales enablement services and airport ground handling services, among others, to our service portfolio.

We intend to pursue similar opportunities to undertake acquisitions (i) that allow us to enhance our scale and market position; (ii) that allow us to achieve operating leverage in key markets by unlocking potential efficiency and synergy benefits; (iii) that provide us with a platform to extend our reach to new geographic markets within India and selected overseas markets, particularly for sales enablement, audit and assurance as well as employee background check services; and (iv) that add new services complementary to our service offerings or that allow us to enter strategic businesses to capture additional revenue opportunities from our existing customer base to better our margin profile. To this end, we intend to utilise a portion of the proceeds of the Fresh Issue towards funding acquisitions. For details, see "*Objects of the Offer*" on page 113.

Our inorganic growth model and acquisition strategy can be summarized through the following elements captured in the acronym – PRASAD:

- **P**romoter fit: One of the main aspects of our successful acquisitions has been the identification of businesses that are run by experienced promoters who then continue to work with us to not only build their original businesses but add value to the overall organization.

- **R**ight Price: We believe in acquiring well run quality businesses, but as an operating principle, we always evaluate the acquisition price very carefully and do not believe in overpaying for any business. We thus strive to use our capital in a careful and calibrated manner.

- **A**ccretive margins: One of the core objectives of our inorganic growth strategy is to improve our service and customer mix such that our overall margin profile improves.

- **S**ynergistic businesses: We seek to acquire businesses which are synergistic with some of our existing businesses/customers or where we can look to leverage some of our existing experience, expertise or relationships, amongst other competencies or where we see synergy with a strategic intent.

- **A**sset light: Most of our acquisitions have been in businesses which are asset light, where the core asset are the people and their expertise coupled with processes and technology. This will remain one of our guiding principles with the only exception being the ground handling business.

- **D**efensible: One of the attributes that we seek in an acquisition is that their businesses must have competitive advantages and be defensible.

While we recognise that not all of our potential acquisitions may satisfy each of the above criteria in equal measure, we do seek a balance amongst these criterion with base minimum satisfaction on each. We believe this leads to a disciplined, coherent and successful acquisition strategy in the long term which can add significantly to our revenue and profitability growth.

Continue to improve operating margins

Operating margin improvement is one of our key metrics to measure our performance and is also reflected in the performance metrics for our employees as well as in our budgeting process. Our margin improvement strategy rests on four key pillars:

- Improving operating leverage: The idea here is to manage larger revenue streams with non-linear increases in our fixed and operating costs. We intend to implement lower percentage increases in our fixed costs as compared with our revenues and therefore, improve EBITDA margins. We are also exploring a shared services model to lower the costs of common services within our group and this is also expected to improve operating leverage on a consolidated level.

- Technology leverage: We believe there is significant scope to leverage technology in our service delivery, customer interaction as well as in our internal processes, including the management of the entire employee life cycle. Adoption of technology, we believe, will help bring more efficiency, accuracy and quality to our way of working and thus, reduce operating cost. We are, accordingly, moving towards making our processes paperless and touchless.

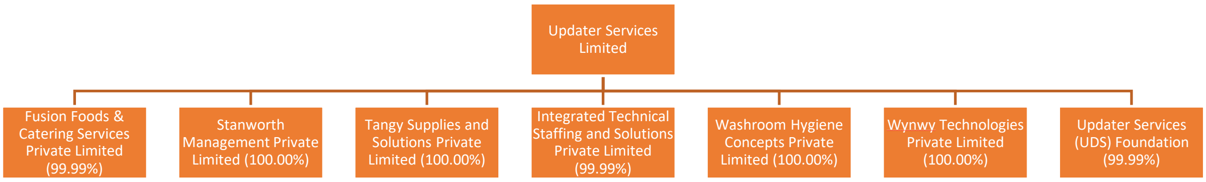
- Service mix within each business: The idea is to develop, enhance and promote more value-added services to existing and to new customers. We will also continue to focus and invest in industries and geographies that we believe present opportunities to increase our operating margins.

- Business mix within the group: We are focused on growing our higher margin businesses aggressively and this growth is expected to improve our margin profile on a consolidated level. This is expected to be through resourcing the business support services and other high margin businesses; our Subsidiaries offering BSS growing their technological capabilities and other capabilities; strengthening the business development initiatives across all businesses; and cross selling initiatives. This strategy also assumes significance given our intent to acquire businesses that are net margin accretive on a consolidated level.

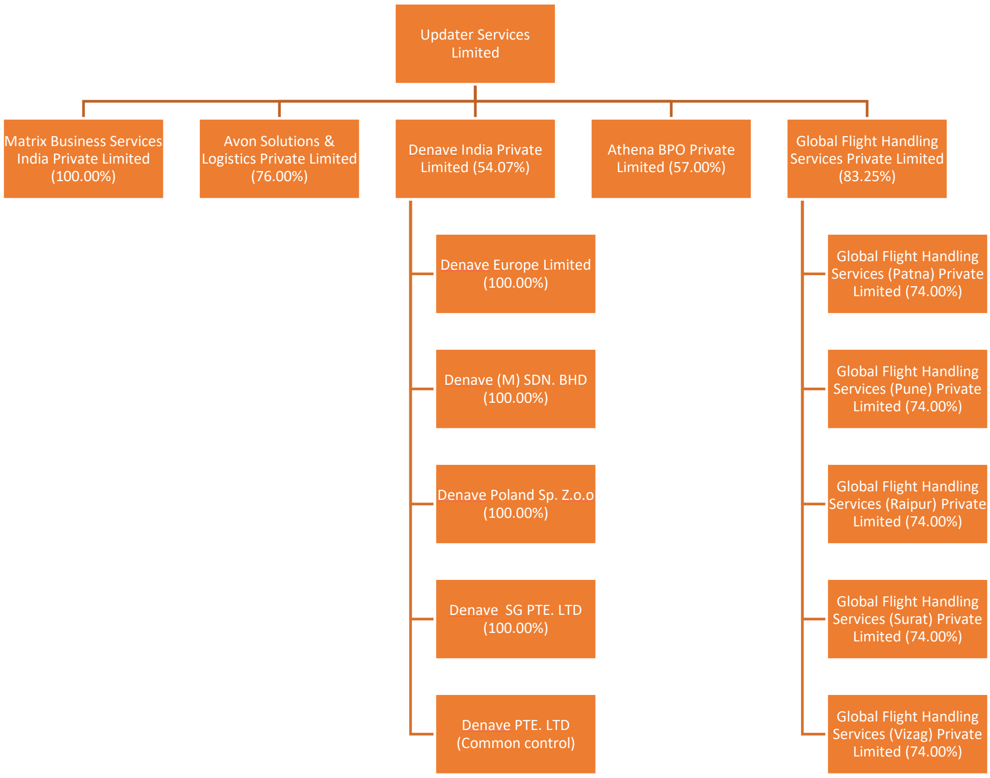
Diversity of our customer base allows us to further increase the span of services offered to our existing customers through cross selling initiatives at the group level. We also intend to leverage our existing widespread network of offices to grow our service offerings to customers who have operations at multiple locations, across India. We also intend to continue to expand our office network to drive greater and deeper penetration in the territories and markets in which we operate.

Organization Structure

Set forth below is our organization structure specific to our IFM & Other services segment:



Set forth below is our organization structure specific to our BSS segment:



Description of our Business

Recent Developments

Impact of COVID-19

Since the end of calendar year 2019, COVID-19 pandemic spread to a majority of countries across the world, including India. Governments across the world instituted measures in an effort to control the spread of COVID-19, including lockdowns, quarantines, shelter-in-place orders, school closings, travel restrictions, and closure of non-essential businesses. Our revenue from contracts with customers and profitability was adversely impacted in the Financial Year ended March 31, 2021 as we witnessed a significant reduction of manpower and a number of our customers were subject to various lockdowns that were imposed throughout the year. While operations at the locations of our customers were initially suspended during the lockdown due to the Government orders, we have been able to resume operations in compliance with the mandated social distancing and hygiene guidelines post the relaxations granted. Such relaxations as well as vaccination measures resulted in gradual resumption of business of our clients and consequently, we witnessed an increase in our revenue and profitability in the Financial Year ended March 31, 2022. Our revenue from contracts with customers operations reduced from ₹ 13,148.86 million in the Financial Year ended March 31, 2020 to ₹ 12,100.32 million in the Financial Year ended March 31, 2021 on account of the impact of COVID-19. However, we witnessed a gradual improvement in the Financial Year ended March 31, 2022 with our revenue from contracts with customers being ₹ 14,835.52 million.

We had considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, unbilled revenues and investments, property, plant and equipment, right of use assets and intangible assets including goodwill. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, we had used internal and external sources of information including credit reports and related information and economic forecasts. Basis such evaluation, our management did not expect any adverse impact on its future cash flows and shall be able to continue as a going concern and meet its obligations as and when they fall due. The impact of COVID-19 may differ from that estimated and we will continue to monitor future economic conditions for any significant change.

We have assessed the impact till date and future uncertainties resulting from the COVID-19. The ultimate impact of the COVID-19 pandemic on the business and operations may, however, differ from that assessed by us due to the evolving nature of the pandemic and its response by various Government authorities. Also see "*Risk Factors – The COVID-19 pandemic, or a similar public health threat, has had an impact and could further impact our business, cash flows, financial condition and results of operations.*" on page 45.

Acquisition of Denave

Acquisition of Denave India Private Limited as a subsidiary of our Company

Our Company entered into an investment agreement dated October 7, 2021 (the "**Investment Agreement**"), with Snehashish Bhattacharjee, Ramaswamy Narayan, Debabrata Majumdar (collectively, the "**Promoters**"), Anubrata Banerjee, Subinder Jeet Singh Khurana, Ritu Rastogi (collectively, the "**Other Shareholders**") and Denave. Pursuant to the terms of the Investment Agreement, our Company purchased 9,666,329 equity shares of Denave with the face value of ₹ 1, representing 54.07% of its share capital, for an aggregate consideration of ₹ 629.96 million.

Acquisition of Athena

Acquisition of Athena BPO Private Limited as a subsidiary of our Company

Our Company entered into a Share Purchase and Shareholders' Agreement dated December 14, 2022 (the **"Share Purchase and Shareholder's Agreement**") with Elizabeth Jacob ("**Promoter**"), Venugopalan Swaminathan, Harish R. Pandeya, Issac Cherian Jacob (collectively, the "**Other Shareholders**") and Athena. Pursuant to the terms of the Share Purchase and Shareholder's Agreement, our Company purchased 32,824 equity shares of Athena representing 57% of its share capital, for a purchase consideration of ₹ 819.40 million.

For details of these acquisitions, see "*History and Certain Corporate Matters - Details regarding acquisition or divestment of business or undertakings*" on page 236.

Our Presence

We are a pan India player, managing 204 million sq. ft. of space across 4,656 customer locations, with a workforce of 68,344 employee personnel, as of December 31, 2022. As of December 31, 2022, we had a widespread network consisting of 4,656 locations (excluding staffing locations) managed from 127 points of presence with 114 offices situated in India and 13 offices situated overseas. These offices are spread across 25 states in India, comprising 22 offices in north India, 44 offices in south India, 15 offices in east India and 33 offices in west India, giving us a nation-wide presence as well as 13 locations overseas.

The map below illustrates the geographic spread of our network across India, as of December 31, 2022:

** Map not to scale*

***Note**: Map shown above is only for illustrative purposes and to represent the states where we operate our business. This in no way is intended to represent any domestic or international boundaries.*

Our Business Operations and Services Offered

We are a leading, focused, and integrated business services platform in India offering IFM services and BSS to our clients, with a pan-India presence. (*Source: F&S Report*) Our operations are undertaken under the IFM & Other services segment, and the BSS segment. Set forth below are certain details of these two segments:

1. *IFM & Other Services Segment*

IFM & Other services segment can be bifurcated into IFM services and Other services. IFM services comprise Soft Services; Production Support Services; Engineering Services; and Washroom and Feminine Hygiene Care Solutions. Other services comprise Warehouse Management; General Staffing; Institutional Catering; and Others.

The following table sets forth certain information relating to one of our primary segment (IFM) (as per Ind AS 108 – operating segments) for the years / periods indicated:

	Financial Year ended March 31, 2020	Financial Year ended March 31, 2021	Financial Year ended March 31, 2022	Six months period ended September 30, 2022
Integrated Facility Management Services				
Total Revenue *(₹ in million)*	12,375.75	11,220.15	12,182.62	7,304.30
As a % of total segments	91.55%	90.44%	79.65%	71.83%

Note: There are two segments on the basis of which, our Company reviews performance, considering the spread of services provided to our customers and the teams that deliver these services. BSS comprises of our five distinct services while all other services are classified as IFM & Other services (which is categorised as integrated facility management services in the financial reporting which include the sub-segments mentioned above in "- Overview" on page 198).

In December 31, 2022, we managed approximately 204 million square feet of space spread across India. We served 1,332 customers as on December 31, 2022, spread over 4,029 locations through our 51 points of presence across India. We were spread across 51 locations in India, across a range of industries, including manufacturing, automobile, IT / ITeS, healthcare, Education, BFSI, Consumer Products, FMCG, Educational Institutions and retail, as on December 31, 2022. We managed over one lakh tonne of HVAC equipment and over two lakh KVA of backup power, as on December 31, 2022. We also managed services in 39 luxury hotels and served over one lakh meals and beverages per day at various institutional - educational and industrial, locations, as on December 31, 2022.

A. *IFM Services*

Set forth below are the details of each of our IFM services:

(i) ***Soft Services:*** Soft services comprise services such as housekeeping and cleaning services, disinfecting and sanitizing services, pest control, horticulture, and facade cleaning. We are the second largest player in the highly fragmented soft services segment market in India with a share of 4.2% in the Financial Year ended March 31, 2022. (*Source: F&S Report*)

A description of our soft services has been provided below:

- *Housekeeping and cleaning services:* Our Company offers a wide range of high-end commercial and industrial cleaning services throughout India with specific focus on quality, efficiency, and sustainable service delivery models. We use certified non-toxic and environment friendly consumables. Our housekeeping and cleaning services teams are trained in efficient and smart cleaning solutions.

- *Disinfecting and sanitizing services:* Our disinfection and sanitizing services are zero bacteria, deep cleaning and personal hygiene solutions with approved disinfectants as per the guidelines and requirements of the World Health Organization ("**WHO**") and The Indian Council of Medical Research ("**ICMR**").

- *Pest control:* We offer pest control services to commercial establishments using innovative treatments and solutions that follow the modern practices in the industry, and are in compliance with the environmental safety protocols and environmental, health and safety norms. Using modern equipment, we offer customized programmes with continuous evaluation on the efficacy of treatment and control.

- *<u>Horticulture</u>:* We offer horticulture services to our customers. These services include gardening and landscaping services to help our customers develop and maintain their green spaces such as lawns, gardens, trees, sidewalks, among others.

- *<u>Facade cleaning:</u>* These are services that help customers clean and maintain the external glass facades of their buildings.

Our major customers to whom these services are provided included Hyundai, Saint-Gobain, TTK Healthcare, Shriram Transport, Honda Motorcycle, IIFL Finance, SBI Life Insurance, Indian Institute of Management, Bangalore, John Deere India Private Limited ("**John Deere**") and Blue Star Limited ("**Blue Star**").

(ii) ***Production Support Services:*** Production support services comprise solutions to facilities with respect to their needs including material handling, material movement, on-site warehouse management, stores and inventory management, production support activities, and equipment maintenance. According to F&S Report, we are the market leader in India in this extremely fragmented segment with a market share of 1.8% in the Financial Year ended March 31, 2022. Our Company is one of the leading PSS providers to the automotive segment in India. (*Source: F&S Report*)

A description of our production support services has been provided below:

- *<u>Material handling and movement</u>:* These services comprise of managing the inward and outward flow of stores and other inventory material on manufacturing shop floors as well as in large warehouses. We manage the entire flow of material including unloading, storage, retrieval and onward supply to production lines. We also have a partnership with and autonomous robotics manufacturer, Aubotz Labs, who manufacture material handling robots.

- *<u>Stores and inventory management</u>*: We offer complete store management services to manufacturing companies. Our services include all aspects of the physical movement of goods as well as commercial aspects and record keeping as well as reporting and analytics.

- *<u>Production support activities</u>*: We manage the ancillary and support functions for production lines for some of our customers and are responsible for the entire range of services including manpower supply, maintenance of production facilities, material handling and actual production support activities.

- *<u>Equipment maintenance</u>*: This is the core service that we provide to our customers and offer comprehensive equipment maintenance on our own as well as through AMCs and CMCs.

Our major customers to whom production support services are provided include Hyundai, Eicher Motors Limited, Saint-Gobain, FLSmidth Private Limited ("**FLSmidth**"), Mobis India Limited ("**Mobis**") and Salcomp Manufacturing India Private Limited ("**Salcomp**"), among others.

(iii) ***Engineering Services**:* Engineering services are related to mechanical, electrical and plumbing services and comprise hard services such as maintenance, repair, overhaul and performance management of HVAC systems; power equipment such as generators and UPS systems; pumps, sewage treatment plants, fire safety systems, waste management systems as well as the management of annual maintenance contracts for elevators and other building related systems and equipment. Our Company is amongst the top five players in India in the hard services market. (*Source: F&S Report*)

Under this category, we offer operations and maintenance services for central utilities as per specifications, from the generation point to the consumption point, using automated technologies. We ensure robust processes and systems since factors such as health, safety and environment compliances, risk impacts and cost benefits to the facility are key to this service. We believe planned, preventive and predictive maintenance programmes considerably reduce down-time, maximize revenues at lower operating costs, creating sustainable models in our service delivery. In addition, we offer operations and maintenance services for heating, ventilation and air conditioning equipment to our customers. We also offer operations and maintenance services for the fire safety systems to our customers.

In December 31, 2022, we managed 102,860 tonnage of HVAC systems. Further, in December 31, 2022, we had 217,157 of total kVA of power back-up. We offered these services across a range of industries, including FMCG, healthcare, IT / ITeS and BFSI.

Our major customers to whom these services are provided include Blue Star, John Deere, IIFL Finance and six major airports including metro and non-metro airports.

(iv) ***Washroom and feminine hygiene care solutions****:* These solutions and services are offered to our customers through our Subsidiary Washroom Hygiene Concept. We offer feminine hygiene care solutions and products and services such as air fresheners, sanitizers and washroom solutions, including providing proprietary sanitary pad disposal bin, bin liners, sanitary pad vending machines, sanitary pads and sanitizers in addition to supply of washroom consumables and supplies.

Feminine hygiene units are currently offered by very few companies such as Washroom Hygiene Concept and Rentokil Initial India, as per the F&S Report. The common business model is to install the units in end user locations and the service provider would collect the waste on a periodic basis and dispose the waste in an appropriate manner as per regulations. (*Source: F&S Report*) The bin liners are patented products, and this creates entry barriers for companies to enter this niche market. Washroom Hygiene Concept is the second largest player with revenues ₹ 8 crore and a market share of 20.0% in the Financial Year ended March 31, 2022. (*Source: F&S Report*)

As of December 31, 2022, we offered 23,650 sanitary pad disposal solutions and deployed 2,539 sanitary pad vending machines. Further, we deployed 20,416 bins in the six months period ended December 31, 2022.

As on December 31, 2022, these solutions were provided to 538 customers across major industries such as IT /ITeS, BFSI, among others.

B. *Other Services*

Set forth below are the details of each of our Other services:

(i) ***Warehouse Management****:* Warehouse management services comprise deployment of people, equipment and processes to manage customer warehouses and operations within them. Under this category, we offer services including material handling, stock keeping, grading and sorting, breaking bulk, repacking, inward and outward dispatches, return logistics, among others.

As on December 31, 2022, we provided warehouse management services to major logistics and manufacturing companies across the country including to Saint-Gobain, among others.

(ii) ***General Staffing****:* We provide general staffing solutions to our customers enabling them to optimally manage their workforce requirements. These services, offered through our Company as well as through our Subsidiary, Integrated Technical Staffing and Solutions, generally comprise recruitment, payroll and human resource services. We have dedicated teams identifying, assessing, recruiting, training and deploying suitable general staffing candidates in accordance with the requirements of the customer. Our pan India presence and offices network enables us to service clients across various geographies. We cater to customers across industry segments and mainly in consumer goods and BFSI. We have consciously decided not to venture into the low margin staffing areas such as food delivery and last mile ecommerce delivery, among others.

As on December 31, 2022, we provided staffing services to large companies across the country such as Sony and SBI Life Insurance.

(iii) ***Institutional Catering****:* These services, offered through our Subsidiary, Fusion Foods, comprise corporate (including educational institutions) and industrial catering. Through this, we offer full range food and beverage services including breakfast, lunch and dinners for employees, meetings and conference lunches and dinners at commercial and industrial facilities. We also provide traditional snack items during mid-afternoon tea and coffee breaks. In addition, we collaborate with our customers to create custom-built menus to match their requirements. We lay special emphasis on food safety and rely on daily frequent laboratory tests to ensure that our ingredients and the food prepared, are safe and bacteria-free, for consumption under FSSAI and ISO 22000 standards.

In December 31, 2022, 103,310 meals were served per month with 103 340 beverages being served per month.

As on December 31, 2022, we provided institutional catering services to 17 customers. Our major customers to whom these services are provided include Vellore Institute of Technology and Sastra University in the educational segment, Arun Excello Realty Private Limited in the real estate industry.

(iv) ***Other Services***: Our other services comprise technology services and procurement services.

A description of our other services has been provided below:

- *Technology services:* We recently completed the development and beta release of an indigenously developed software product – *Inconn*, to our customers to help them manage all their assets in an integrated manner. This application shall give them full visibility and control over their assets, allow them to schedule and assign regular maintenance as well as breakdown maintenance tasks and to track their completion besides other functionality built into the application. This technology has been developed by our wholly owned Subsidiary, Wynwy.

- *Procurement Services:* We offer these services through our fully owned Subsidiary, Tangy, which specialises in procurement of integrated facilities management machinery and supplies including eco-friendly chemicals, paper products, cleaning supplies, engineering tools and tackles, cleaning machinery and their spare parts. Tangy also manufactures uniforms for internal as well as external customers.

2. *BSS Segment*

Our BSS segment comprises Sales Enablement Services; Employee Background Verification Check Services; Audit and Assurance Services; Airport Ground Handling Services; and Mailroom Management and Niche Logistics Solutions.

The following table sets forth certain information relating to one of our primary segment (BSS) (as per Ind AS 108 – operating segments) for the years / periods indicated:

	Financial Year ended March 31, 2020	**Financial Year ended March 31, 2021**	**Financial Year ended March 31, 2022**	**Six months period ended September 30, 2022**
Business Support Services				
Total Revenue (₹ *in million*)	1,142.00	1,186.13	3,112.62	2,863.80
As a % of total income excluding finance income (of segments)	8.45%	9.56%	20.35%	28.16%

Note: There are two segments on the basis of which, our Company reviews performance, considering the spread of services provided to our customers and the teams that deliver these services. BSS comprises of our five distinct services while all other services are classified as IFM & Other services (which is categorised as integrated facility management services in the financial reporting which include the sub-segments mentioned above in "- Overview" on page 198).

Set forth below are the details of each of our services offered under the BSS segment:

(i) ***Sales Enablement Services****:* Under the sales enablement services category, we provide services such as demand generation, lead management, inside sales, data base management services, digital marketing, sales and retail analytics, customer outreach, field force management as well as field marketing services. These services are mainly provided through our Subsidiaries, Denave and Athena. Denave is a sales enablement B2B company focused on serving global customers across multiple industries including information technology / information technology enabled services ("**IT / ITeS**"), telecom and other industries, through global delivery centres located in India, Malaysia and UK, and also through partners in other parts of the world. Denave, as per the F&S Report, is the largest player in this segment with a market share of 15.4% in India in the Financial Year ended March 31, 2022. Athena is a B2C outbound tele-sales BPO, focused on the BFSI segment in India.

As of December 31, 2022, we were spread across 17 locations in India and 13 locations overseas, across a range of industries, including IT / technology companies and companies in the consumer durable, FMCG and BFSI industries, as of December 31, 2022. In the nine months ended December 31, 2022, we generated 20,055 qualified sales leads for our customers across the world and influenced revenue of approximately USD 470 million. Further, in the nine months ended December 31, 2022, we processed over 5,000 crore worth of loans (home / personal) and sold 255,194 credit cards.

As on December 31, 2022, we provided sales enablement services to 112 customers in the aggregate, within various industries such as global technology, IT and electronics and FMCG among others. Our major customers to whom these services are provided include Microsoft within global technology, Saint-Gobain within glass manufacturing, Hindustan Unilever Limited within FMCG, Marg Business Transformation Private Limited within training and consulting, Vivo Mobile India Private Limited and Logitech within IT and electronics and Culturelytics Private Limited within culture and data analytics.

(ii) ***Employee Background Verification Check Services****:* These services are offered through our Subsidiary, Matrix, which is the third largest company in India in the segment with a share of 5.7% in the Financial Year ended March 31, 2022. (*Source: F&S Report*) Our employee background verification check services include address verification, identity verification, educational qualifications verification, employment history verification, legal case history, among others. These services are mainly provided through Matrix using a technology platform which is an indigenously developed proprietary software platform called Matex. This is used to assign, process, track and report the verification of employees that are needed by our customers.

We processed 536,923 number of employees across a range of industries, including IT / ITeS, BFSI, healthcare, manufacturing and automobiles, for the nine months period ended December 31, 2022.

For the nine months period ended December 31, 2022, we provided employee background verification checks services to 651 customers undertaking verification of 536,923 candidates. Our major customers to whom these services are provided include TCS and Persistent Systems Limited, among others.

(iii) ***Audit and Assurance Services:*** We provide Audit and Assurance services through our Subsidiary, Matrix, and these services include services such as supply chain audit including warehouse depot audit, distributer audit, and retail point audit, among others. In addition, we also provide back-office services related to marketing programs and channel partner claim processing. According to F&S Report, Matrix is a leading Audit and Assurance company for dealer / distributor audits, and retail audits and its strong branch reach and field associate reach has driven the company to reach the top spot in India, with a market share of 16.2% in the Financial Year ended March 31, 2022.

For the nine months period ended December 31, 2022, we provided audit and assurance services to 168 customers undertaking 105,067 audits, processed more than ₹ 17,000 million worth of average monthly claims across industries including FMCG, retail and consumer durables, among others. Our major customers to whom these services are provided include P&G, ABFRL, Hershey and More Retail, among others.

(iv) ***Airport ground handling services****:* These services are offered through our Subsidiary, Global Flight Handling. Ground handling is a critical activity at an airport and includes baggage and cargo loading and unloading, passenger movement, aircraft clean-ups, in-flight meals loading and unloading, aircraft marshalling and ancillary support services to aircrafts (ground power units, ground air conditioning units), among others. We also offer meet and greet services, wheelchair services and other such passenger services at the airports.

In December 2022, we handled a total of 1,047 scheduled aircraft across five airports including the airports at Pune and Patna, among others.

As on December 31, 2022, we provided airport ground handling services to six customers. Our major customers to whom these services are provided include SpiceJet and AIX Connect, amongst others.

(v) ***Mailroom Management and Niche Logistics Solutions****:* We have been offering mailroom management services to our customers for the past few decades. We have a presence inside the offices of our customers and manage the inward and outward flow of documents as well as packages through a proprietary software developed in-house by us. We leverage this presence to also offer services such as office supplies management, among others. These services are mainly provided through our Subsidiary, Avon. Avon is a leading service provider in India and a pioneer in the mailroom and asset movement business. It is the market leader in India with a share of 15.5% in the mailroom management services market in the Financial Year ended March 31, 2022. (*Source: F&S Report*)

In Avon, we also offer customized and personalized niche logistics solutions for specific needs of our customers. We are not in the core logistics space and hence do not compete with the major companies in warehousing, transport and logistics.

As of December 31, 2022, we were spread across 611 locations including 186 mailrooms in India and handled 983,815 packages per month so far in the current fiscal. We provided these services to BFSI, healthcare and IT / ITeS, among others, as of December 31, 2022.

As on December 31, 2022, we provided mailroom management and niche logistics solutions to 320 customers. Our major customers to whom these services are provided include Express Engineering Private Limited ("**EEC**") within the engineering and construction industry and Mindtree within the IT industry.

In addition, as part of our portfolio of services, our Company has also in the past, provided, and continues to provide, private security agency services to a select customer in the states of Delhi and Madhya Pradesh where our Company holds PSARA license. The revenue generated from this service has, however, never been more than 3.00% of our total income until the latest period for which, financial statements have been disclosed in this Draft Red Herring Prospectus, i.e. as at and for the six months period ended September 30, 2022. Also see "*Risk Factors – Our Company received foreign direct investment in the year 2017 under the automatic route, though private security agency services (which contributed to less than 3.00% of our Company's revenue) was not covered under the automatic route. Any action by the regulatory or statutory authority may affect our business and prospects.*" on page 46.

Contractual Arrangements with our Customers

We typically negotiate written contracts through various formats including letter of awards and purchase orders with our key customers for a term between one and three years, renewable by mutual consent and terminable, with written notice, by either party. The nature of service contracts we enter into vary depending on the business segment, the specific requirements of the customer, as well relevant industry practice. Our service contracts include variations of cost-plus contracts, fixed price contracts and/or SLA linked contracts.

Cost-plus contracts are contracts where the price is variable based upon our actual costs incurred for personnel and materials, if applicable. Any margin on cost plus contracts may be a fixed amount or a percentage mark-up applied to costs incurred or a combination of both. Fixed price contracts often include cost escalation terms that enable increase in price should certain events occur or conditions change. Change orders on fixed priced contracts are routinely approved as work scope changes resulting in adjustments to our fixed price. SLA linked contracts are those where we get paid as per certain agreed delivery parameters.

Key Customers

We have maintained our long-term relationships with our key customers. Our customers operate across a variety of industries and sectors including such as manufacturing and engineering, BFSI, healthcare, IT / ITeS, automobiles and ancillaries, logistics and warehouse management, airports, railways and infrastructure, retail, and business consulting, among others, which reduces our vulnerabilities to economic cycles and dependence on any particular set of customers.

Within the IFM & Other services segment, we offered our services to some of our marquee customers including, among others, TTK Healthcare within healthcare, Saint-Gobain within manufacturing, Hyundai, Honda Motorcycle and Eicher Motors Limited within automobile, Shriram Transport, SBI Life Insurance and IIFL Finance within BFSI, and Sony within consumer products, among others. Within the BSS segment, we offered our services to, among others, More Retail and ABFRL within retail, TCS and Mindtree within IT / ITeS, P&G and Hershey within consumer products, Microsoft within global technology, Logitech within IT and electronics, SpiceJet and AIX Connect within airlines sector and Tata Communications within telecom and communications. Such a diverse base of customers has allowed us to not only reduce our vulnerabilities to economic cycles but also our dependence on any particular set of customers.

Sales and Marketing

We have a strong sales and marketing team consisting of 57 employees, as on December 31, 2022, who focus on customer development and maintaining customer relationship. A significant portion of our business development activities is undertaken by our regional operation heads. We have one regional operation head in each of the four major regions - south, north, east and west India, who is responsible for business development, sales in their respective regions apart from improving operational excellence and efficiency.

In addition, we have an extended regional business operations team that oversees the complete customer account management including mining incremental business from the existing accounts. This team is responsible for the marketing of our services, negotiating prices, and preparing of bids to customers. Any potential lead is initially monitored through our online CRM tool following which, our operations team reviews and follows up for closure of the lead.

Our business development activities operate along the following three key areas:

- Procuring additional business from our existing customers;
- Prospecting for new customers through our sales operations and our business development teams; and
- Digital and social media marketing.

Our marketing initiatives include sending out periodic mailers on our service offerings to our leading customers in India, through email as well as our online CRM tool, sending new products and service offerings to our target audience; and regularly contacting our customers in the IT, healthcare, automobile industry, among others, through our corporate and regional business operations teams for their periodic requirements, among others. Further, we are also empanelled on various leading corporates' procurement and sourcing portals, which enables us to get the enquiries and RFPs. Further, our experienced subject matter experts provide their inputs during the preparation of commercials which, we believe, makes our proposals very competitive. We are now increasingly using digital marketing tools for business development including our newly developed website, and other social media platforms.

Our business operations teams have built long-term relationships with a number of our customers and has played an important role in helping us attain our position as one of the leading choices for many of our customers.

Human Resource and Training Initiatives

As of December 31, 2022, we employed 68,344 employees across our operations.

The following table sets forth certain information on our employees across our various business verticals as of December 31, 2022:

S. No.	Business Vertical	Number of Employees
1.	IFM & Other Services Segment	57,695
2.	BSS Segment	10,649
	Total	**68,344**

The decisions in respect of selection and hiring of employees are made solely on the basis of the job requirements and our focus is to recruit applicants who are suitably qualified and trainable for employment, in accordance with certain set of pre-determined job criteria. We also make efforts to place new employees in positions that best justify their competencies, and in which they are expected to achieve both professional growth as well as personal satisfaction. Our performance parameters and assessment of our employees are tied to a capability analysis of each employee, resulting in an identification of high performing employees as well as underperforming employees who may require additional training. The employee rating is based on various key performance indicators.

We do not have any trade unions or collective bargaining agreements with our employees. Given our pan-India operations and the fact that a number of our employees typically work at customer locations, we provide phone lines to address employee issues, and our human resource teams visit employees on-site resolve any issues. Our employee assistance programs include support on personal and work related issues such as workplace conflict, substance abuse and addictions, depression, stress, health issues and medical support for employees and their family members.

In addition, we provide extensive learning and development training for our employees. In order to sustain and improve performance and future potential, employees are provided opportunities for training and development through skill specific training program based on specific needs and requirements. For instance, we have recently tied up with Indian Institute of Management, Tiruchirappalli, where over 30 of our mid to senior level managers and leaders from across the group were nominated for a specially developed six month management development course covering diverse areas of business such as finance, business development, leadership, communications, among others. Training needs and assessment for each division and function are compiled and addressed in consultation with the heads of the divisions of the business group. Training needs are also identified on the basis of internal customer satisfaction surveys and external customer feedback. Our training programs are designed keeping in mind specific employee requirements. In addition, training requirements are assessed as part of the appraisal process.

We have also focused on driving a diversity and inclusion agenda in the group with many initiatives round increasing the representation of women in our workforce. One of our Subsidiaries, Denave, was also included in the Great Places To Work ("**GPTW**") by the Great Place to Work® Institute in India in their last survey.

Health and Safety

Health and safety is one of the core areas of attention in our Company. We have a well-developed practice in this area led by a subject-matter expert team.

We continually aim to comply with the applicable health and safety regulations and other requirements in our business operations. To this end, we have accreditations such as the ISO 41001:2018 for provision of facility management services such as building services, soft services and business support services, among others. We also hold a certificate of registration which complies with the requirements of ISO 55001:2014 in relation to the governance of the operation and maintenance of organization's physical assets, and client's physical assets.

We implement work safety measures to ensure a safe working environment including general guidelines for health and safety at our offices, as well as our customer locations, accident reporting, wearing safety equipment and gear and maintaining clean and orderly work locations.

Information Technology

Our services are digitally integrated with smart technologies. We use an information management system to facilitate the flow of information among all our business functions, thereby ensuring quick decision making of key business processes and other routine functions. We aim to avoid duplication of efforts across different departments and thereby facilitating faster processing of work, payments and invoices. We also use our information management system to assist in day-to-day management, support strategic planning and help reduce operating costs by facilitating operational coordination across functional departments.

We have also made investments in technology to improve efficiency and connectivity across our locations and operations and provide for data-based decision-making. Our services are digitally integrated with central back end software platform. Work orders or requests are planned, managed and monitored with resources whose skillsets are mapped to bring in maximum efficiency in all tasks and specifically in preventive, predictive and reactive maintenance.

In addition, we have also recently developed an application in-house, *Inconn*, that aims to transfer facilities into connected assets driven by built-in intelligence and machine learning. This product is a combination of a computerised maintenance management system ("**CMMS**") as well as an enterprise asset management ("**EAM**"). This product will be marketed as an independent product to customers seeking to automate their maintenance and building management systems and on board their service providers. This product is expected to help our customers to gain visibility and control of their various assets such as HVAC systems, lighting, diesel generator sets; assign and track tasks - routine as well as onetime; manage their processes and resources; and thus optimise their cost and reliability of operations. We believe this application will enhance digital customer experiences backed by operational efficiency with complete workflow solutions covering key user journeys, full integration to business and backend processes and process automation for repetitive manual tasks. This application is being used for on-boarding, attendance, map employee life-cycles and real-time service monitoring of end-to-end integrated operations and asset and inventory management programmes.

Risk Management Strategy

Understanding and managing the risks to the business, the customers and our employees is a central part of our business.

We carry out an ongoing analysis of all business processes for the detection, evaluation and management of risks and continually review our security routines and have made significant investments to improve security in our business. For instance, we have in place a risk management policy which is based on the principle of uninterrupted supply of service delivery in areas of operations, finance and industrial relations. Effective identification, analysis, control and monitoring of all operational activities within our scope, play a very significant role in minimizing risks. Our risk management action plan is tailored to identify and control potential loss situations and anticipate risks rather than react to potential losses.

Over the years we have also developed and refined our disaster recovery planning ("**DRP**") as well as our business continuity plans ("**BCP**"), especially as pertains to our data and IT systems and processes.

In addition, our risk management action process has four main focus areas:

- Identification of the risk involved, including such as storage of hazardous materials and / or substances, dangerous goods, working at height, among others;
- Assess the risk by considering the potential for harm to persons and / or property;
- Control the risk through elimination, substitution, engineering controls, administrative controls and personal protective equipment; and

- Review the process to ensure appropriate systems are being implemented appropriately, and monitor and revisit to ensure that the present and future requirements are being met.

Intellectual Property

Our Company has obtained a trademark registration for "*UDS, DO MORE (device)"* under class 35 of The Trade Marks Act, 1999. Further, our Company has made an application for registration of "*UDS Do More… Business Services (device)*" trademark under class 35 of The Trade Marks Act, 1999.

For details, see "*Government and Other Approvals*" on page 556.

Insurance

We have obtained a health insurance, term insurance and personal accident insurance policy for our employees. Further, we have obtained a directors and officers' liability, commercial general liability, employees compensation insurance and crime insurance policy. An asset policy and a professionally indemnity have also been obtained by our Company. Also, see "*Risk Factors – Our insurance coverage may not be sufficient or may not adequately protect us against all material hazards, which may adversely affect our business, cash flows, results of operations and financial condition.*" on page 57. However, our insurance policies may not be able to cover all of our losses and we cannot provide any assurance that we will not incur losses or suffer claims beyond the limits of, or outside the relevant coverage of, our insurance policies.

Corporate Social Responsibility

We believe a successful organization must undertake to fulfil its obligations towards society not only through generating employment, providing livelihoods, acting in an ethical manner, being a good corporate citizen and behaving responsibly towards the environment but also to deploy resources more directly and fund organizations and programs that aim to benefit disadvantaged groups in our society in a direct manner. Towards this end, we have established the 'UDS Foundation' in April 2018, with an intent to undertake corporate social responsibility activities. We spent ₹ 9.44 million towards CSR expenditure in the Financial Year ended March 31, 2022 primarily towards promoting healthcare, education.

We further seek to fulfil our social responsibilities and enhance our economic practices in an attempt to create a positive impact on the society. Our CSR Committee, which was re-constituted on March 21, 2023 comprising our Promoter, Raghunandana Tangirala, our Executive Director (Whole-time Director), Pondicherry Chidambaram Balasubramanian and our Independent Director, Sangeeta Sumesh, has adopted a corporate social responsibility policy with a focus on promoting education, eradicating hunger, poverty and malnutrition, promoting healthcare, ensuring of environmental protection and improvement, and rural development projects.

Property

Our Registered and Corporate Office is located at No. 2/302-A, UDS Salai, Off Old Mahabalipuram Road, Thoraipakkam, Chennai 600 097, Tamil Nadu, India, on leased premises pursuant to a lease agreement dated March 27, 2023, entered into by our Company with our Promoters. We also have 109 offices, all of which are held by us on a lease-hold basis.

Competition

The IFM market is highly competitive with the presence of large number of domestic and a few international companies. (*Source: F&S Report*) Indian integrated facilities management market is highly fragmented with close to 270 to 300 companies operating across the country. (*Source: F&S Report*) The market also witnesses the presence of both international and domestic companies. (*Source: F&S Report*) International companies sub-contract majority of their services to gain access to various markets, manpower and customers in the region. (*Source: F&S Report*) The major companies in the integrated facilities management market are BVG, Quess Corp, SIS Limited, Sodexo and ISS Facility Services and us. (*Source: F&S Report*) The business support services market, because of the wide spectrum of services offered, is highly fragmented in nature. (*Source: F&S Report*) Medium and small companies have a dominating presence in the market in India. (*Source: F&S Report*) This level of market fragmentation, along with growing importance of compliance is expected to drive market consolidation. (*Source: F&S Report*) Among the business support services companies in the market, few have presence in sales enablement, feminine hygiene, and airport ground handling services. (*Source: F&S Report*) Our Company has the widest service offering, thus positioning them in a unique spot in the business support services market in India. (*Source: F&S Report*) However, the market witnesses the presence of both multinational companies and local companies across various services offered. (*Source: F&S Report*) See "*Risk Factors – The industries in which we operate are intensely competitive and have low barriers to entry in certain instances. Our inability to compete effectively may adversely affect our business, cash flows, results of operations and financial condition.*" on page 51.

KEY REGULATIONS AND POLICIES

The following is an overview of the important laws, policies and regulations which are relevant to our business and related sectors. The regulations set out below are not exhaustive and are only intended to provide general information. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. The following is only intended to provide general information to the investor and is neither designed nor intended to be a substitute for professional legal advice. For details of government approvals obtained by us, where necessary, in compliance with these regulations, refer to "Government and Other Approvals" on page 559.

I. Business related laws

The Contract Labour (Regulation and Abolition) Act, 1970

The Contract Labour (Regulation and Abolition) Act, 1970 ("**CLRA Act**") was enacted to regulate the employment of contract labour in certain establishments and to provide for its abolition in certain circumstances. Subject to state amendments, the CLRA Act requires every establishment employing 20 or more contract labourers to be registered and prescribes certain obligations with respect to welfare and health of contract labourers. The principal employer's establishment is required to be registered with the registering officer and the contractor is required to be licensed by the licensing officer. The CLRA Act imposes certain obligations on the contractor in relation to establishment of canteens, rest rooms, drinking water, washing facilities, first aid and other facilities and payment of wages. However, in the event the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within such time as maybe prescribed. Every contractor to whom the CLRA Act applies, is also required to obtain a license and not to undertake or execute any work through contract labour, except under and in accordance with such license. Further under the CLRA Act, the principal employer has to ensure through a nominated representative that the Contractor distributes wages within the prescribed time, failing which the principal employer shall be liable to make payment of wages in full or the unpaid balance and recover the amount so paid from the Contractor.

The Food Safety and Standards Act, 2006

The Food Safety and Standards Act, 2006 ("**FSS Act**") was enacted with a view to consolidate the laws relating to food and to establish the Food Safety and Standards Authority of India ("**FSSAI**"), for laying down science-based standards for articles of food and to regulate their manufacture, storage, distribution, sale and import, to ensure availability of safe and wholesome food for human consumption. The FSS Act also sets out requirements for licensing and registration of food businesses, general principles of food safety, and responsibilities of the food business operator and liability of manufacturers and sellers, and adjudication by Food Safety Appellate Tribunal. For enforcement, the FSS Act the 'commissioner of food safety', 'food safety officer' and 'food analyst' have been granted with detailed powers of seizure, sampling, taking extracts and analysis. Further, The Food Safety and Standards Rules, 2011 ("**FSSR**") which have been operative since August 5, 2011, provide the procedure for registration and licensing process for food business and lay down detailed standards for various food products. The standards include specifications for ingredients, limit of quantities of contaminants, tolerance limits of pesticide drugs residue, biological hazards and labels.

The FSSAI has also framed the following food safety and standards regulations in relation to various food products and additives:

- Food Safety and Standards (Licensing and Registration of Food Businesses) Regulations, 2011;
- Food Safety and Standards (Packaging and Labelling) Regulations, 2011;
- Food Safety and Standards (Food Product Standards and Food Additives) Regulations, 2011;
- Food Safety and Standards (Prohibition and Restriction on Sales) Regulations, 2011;
- Food Safety and Standards (Contaminates, Toxins and Residues) Regulations, 2011; and
- Food Safety and Standards (Laboratory and Sampling Analysis) Regulations, 2011.

II. Labour Legislations

Child Labour (Prohibition and Regulation) Act, 1986

The Child Labour (Prohibition and Regulation) Act, 1986, ("**CLPRA Act**") provides for prohibiting engagement of children below 14 years in factories, mines and hazardous employments and regulates the conditions of their employment in certain other employments. The CLPRA Act aims to regulate the number of hours, period of work and holidays to be given to child labourers. It specifies that the employer has to mandatorily furnish certain information regarding employment of child labour to the inspector and maintain a register which would contain details regarding the child labourers. The CLPRA Act also provides for health and safety measures to be complied with by the employer.

Inter State Migrant Workmen (Regulation of Employment & Conditions of Service) Act, 1979

The Inter State Migrant Workmen (Regulation of Employment & Conditions of Service) Act, 1979 (**"ISMW Act"**) regulates the employment of inter-state migrant workmen and provides for their conditions of services and for matter connected therewith. Under the provisions of the ISMW Act, every principal employer of an establishment which employs five or more inter-state migrant workmen (whether or not in addition to other workmen) on any day of the preceding 12 months has to register his establishment under ISMW Act. The ISMW Act also requires the principal employers and contractors to maintain registers with such details of the migrant workmen as may be prescribed. Any violation of the provisions of the ISMW Act and Rules prescribed thereunder is imprisonment which may extend to two years or with fine which may extend to 2,000 or with both.

Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 was enacted to curb the rise in sexual harassment that women were facing in their workplaces and it intended to make workplaces safer for them by enacting for prevention of such harassment and redressal of complaints and for matters connected with sexual harassment. Workplace' has been defined broadly to include government bodies, private and public sector organisations, non-governmental organisations, organisations carrying on commercial, vocational, educational, entertainment, industrial, financial activities, hospitals and nursing homes, educational institutes, sports institutions and any place visited by the employee arising out of or during the course of employment. The terms sexual harassment and workplace are both defined in the act. Every employer is required to constitute an "Internal Complaints Committee" and every officer and member of the company shall hold office in the committee for a period not exceeding three years from the date of nomination. Any aggrieved woman can make a complaint in writing to the Internal Committee in relation to sexual harassment of female at the workplace. Every employer has a duty to provide a safe working environment at the workplace which shall include safety from the persons coming into contact at the workplace, organising awareness programs and workshops, displaying rules relating to sexual harassment at any conspicuous part of the workplace, providing necessary facilities to the committee formed for dealing with the complaint, such other procedural requirements to assess the complaints.

Other applicable labour legislations

The employment of workers, depending on the nature of activity, is, at present, regulated by a wide variety of generally applicable labour laws. The following is an indicative list of labour laws applicable to our operations owing to the nature of our business activities:

- Apprentices Act, 1961;
- Employees' Provident Funds and Miscellaneous Provisions Act, 1952;
- Employees' Compensation Act, 1923;
- Employees' State Insurance Act, 1948;
- The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959 and the rules made thereunder;
- Equal Remuneration Act, 1976;
- The Industrial Disputes Act, 1947;
- The Industrial Employment (Standing Orders) Act, 1946;
- The Minimum Wages Act, 1948;
- Maternity Benefit Act, 1961;
- Payment of Bonus Act, 1965;
- Payment of Gratuity Act, 1972; and
- Payment of Wages Act, 1936.

Labour Codes

In order to rationalize and reform labour laws in India, the Government has enacted four labour codes that would subsume primarily all of the central labour laws and would collectively form the governing labour legislations, as and when brought into effect. These four codes are:

(a) *The Code on Wages, 2019*

The Code on Wages, 2019 received the assent of the President of India on August 8, 2019 and proposes to subsume four existing laws namely, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. The Central Government has notified certain provisions of this code predominantly concerning the constitution of the Central Advisory Board and other provisions of this code will be brought into force on a date to be notified by the Central Government.

(b) *The Occupational Safety, Health and Working Conditions Code, 2020*

The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The provisions of this code will be brought into force on a date to be notified by the Central Government.

(c) *The Industrial Relations Code, 2020*

The Industrial Relations Code, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume three existing legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. The provisions of this code will be brought into force on a date to be notified by the Central Government.

(d) *The Code on Social Security, 2020*

The Code on Social Security, 2020 received the assent of the President of India on September 28, 2020, and the draft rules under the Code on Social Security, 2020 were notified on November 13, 2020. It proposes to subsume certain existing legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganised Workers' Social Security Act, 2008. The provisions of this code will be brought into force on a date to be notified by the Central Government.

Shops and establishments legislations in various states

Under the provisions of local shops and establishments legislations applicable in the states in which establishments are set up, establishments are required to be registered. These legislations regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of opening and closing hours, daily and weekly working hours, rest intervals, overtime, holidays, leave, health and safety measures, termination of service, wages for overtime work, maintenance of shops and establishments and other rights and obligations of the employers and employees. There are penalties prescribed in the form of monetary fine or imprisonment for violation of the legislations.

III. Tax-Related Legislations

Central Goods and Services Tax Act, 2017

The Central Goods and Services Tax Act, 2017 (the "**GST Act**") levies tax on the supply of goods and services throughout India to replace multiple taxes levied by the Central and State Governments on production, supply and sale of goods and providing of services in India, applicable from July 1, 2017. Under the GST Act, goods and services are taxed under five different categories, being 0%, 5%, 12%, 18% and 28%. GST is levied on all transactions such as supply, transfer, purchase, barter, lease, or import of goods and/or services. Transactions made within a single state are levied with Central GST ("**CGST**") by the Central Government and State GST ("**SGST**") by the government of that state. For inter-state transactions and imported goods or services, an Integrated GST ("**IGST**") is levied by the Central Government. GST is a consumption-based tax; therefore, taxes are paid to the state where the goods or services are consumed and not the state in which they were produced.

The Profession Tax Act

We are subject to the provisions of state specific legislations that are enacted to regulate tax on professions, trades, callings and employments, and the rules prescribed under such legislations ("**Profession Tax Acts**"). The Profession Tax Acts provide for the levy and collection of a tax on professions, trades, callings and employment for the benefit of the particular state. Such regulations provide for the employers liability to deduct and pay taxes on behalf of their employees, meeting employers registration and enrolment requirement, filing of returns, payment of advance taxes and other matter regarding payment of tax or in case of non-payment.

Additional tax-related laws that are applicable to us include the Income Tax Act, 1961 along with various rules and notifications issued by the tax authorities.

IV. Intellectual Property Laws

Intellectual property in India enjoys protection under both common law and statutes. Under statutes, India provides for copyright protection under the Copyright Act, 1957 and trademark protection under the Trade Marks Act, 1999. These enactments provide for the protection of intellectual property by imposing civil and criminal liability for infringement. In addition to the domestic laws, India is a party to several international intellectual property-related instruments including the Patent Cooperation Treaty, 1970, the Paris Convention for the Protection of Industrial Property, 1883, the Berne Convention for the Protection of Literary and Artistic Works, 1886, the Universal Copyright Convention adopted at Geneva in 1952, the International Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organizations, 1961 and as a member of the World Trade Organisation is a signatory to the Agreement on Trade-Related aspects of Intellectual Property Rights.

Trade Marks Act, 1999 and the Trade Marks Rules, 2017

The Trade Marks Act, 1999 as amended (the "**Trade Marks Act**") governs the law pertaining to the protection of trade marks in India. Once a mark is registered, it is valid in India only for a period of 10 years and can be renewed from time to time in perpetuity. Registration of a trade mark grants the owner a right to exclusively use the trade mark as a mark of goods and services and provides for remedies in case of the fraudulent use of deceptively similar marks by any third party. The Trade Marks Rules, 2017 as amended (the "**Trade Marks Rules**") lays down certain guidelines including the process for determination of "well-known trademark", representation of sound marks, recognition of e-mail as a mode of service, new registration fees and mandatory filing of statements of users.

Copyright Act, 1957

The Copyright Act, 1957, along with the Copyright Rules, 1958, (collectively, "**Copyright Laws**") serves to create property rights for certain kinds of intellectual property, generally called works of authorship. The Copyright Laws protect the legal rights of the creator of an 'original work' by preventing others from reproducing the work in any other way. The intellectual property protected under the Copyright Laws includes literary works, dramatic works, musical works, artistic works, cinematography, and sound recordings. The Copyright Laws prescribe a fine, imprisonment or both for violations, with an enhanced penalty on second or subsequent convictions. While copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work, registration constitutes prima facie evidence of the particulars entered therein and may expedite infringement proceedings and reduce delay caused due to evidentiary considerations. Upon registration, the copyright protection for a work exists for a period of 60 years following the demise of the author. Reproduction of a copyrighted work for sale or hire and issuing of copies to the public, among others, without consent of the owner of the copyright are acts which expressly amount to an infringement of copyright.

V. Ground Handling Regulations

Ministry of Civil Aviation (Ground Handling Services) Regulations, 2017

The ground handling services regulations notified in 2018 provides regulatory framework for agencies involved in ground handling services at airport. The regulations seek to ensure the observance of performance of standards. A ground handling agency with foreign ownership of fifty percent or more of its paid-up capital is not allowed to undertake ground handling activities at the civil enclave. The regulations set out security protocols and guidelines with respect to equipment. As per the provisions under this regulation the ground handling service includes Aircraft handling, Aircraft servicing, Aircraft cleaning, loading or unloading, cargo handling, support services, terminal services, flight operations, surface transport and representational services.

National Civil Aviation Policy, 2016 ("NCAP")

NCAP was introduced to boost the growth in aviation sector by establishing an integrated ecosystem. The policy contained several provisions with respect to ground handling services including the minimum requirement of three ground handling agencies at all major airports to ensure fair competition and prohibition on hiring of employees through manpower supplier unless if equipment is taken on hire from outside agencies without manpower.

Aircraft Rules, 1937

Rule 92 of the Aircraft Rules, 1937 provides that the licensed public aerodromes shall, while providing ground handling services themselves, ensure a competitive environment and allow the ground handling service providers permitted by the Central Government to provide ground handling services at such aerodromes without any restriction. These ground handling service providers shall, however, be subject to security clearance of the Central Government

Regulators

Director General of Civil Aviation (DGCA)

Domestic aviation in India is regulated by the Ministry of Civil Aviation (MoCA) and its two attached offices, the Bureau of Civil Aviation Security (BCAS) which is the central agency for aviation security; and the Director General of Civil Aviation which is responsible for the regulation of air transport services in India and for the enforcement of civil air regulations, air safety and airworthiness standards. The DGCA is the principal regulator in the Indian civil aviation sector. Inter alia, the office of the DGCA promulgates, implements and monitors standards relating to the operations and airworthiness of an aircraft, licensing of personnel such as flight crew, flight dispatchers and aircraft maintenance engineers, air transport operations, investigation of minor accidents, etc. The detailed terms and conditions of these standards, including, without limitation, the authorities involved, the application processes and the requirements of renewal are prescribed by the Aircraft Act, the Aircraft Rules, CARs, ATACs, AICs and other circulars and advisory circulars.

VI. Other Laws

In addition to the aforementioned material laws and regulations, which apply to our Company, our Company is also required to comply with the provisions of the Companies Act, 2013 and rules framed thereunder, the Consumer Protection Act, 2019, and other applicable statutes promulgated by the relevant Central and State Governments including the central and state tax laws.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was incorporated in Chennai, Tamil Nadu as 'Updater Services Private Limited' pursuant to a certificate of incorporation dated November 13, 2003 issued by the RoC, upon the conversion of 'Updater Services', a partnership firm, into a private limited company, in accordance with the provisions of Part IX of the Companies Act, 1956. Thereafter, our Company was converted from a private limited company to a public limited company, pursuant to a resolution passed in the extraordinary general meeting of our Shareholders held on February 22, 2022, and consequently, the name of our Company was changed to 'Updater Services Limited', and a fresh certificate of incorporation dated March 24, 2022 was issued to our Company by the RoC.

Conversion from a partnership firm to a private limited company

K. Hari Haran and Raghunandana Tangirala, pursuant to a deed of partnership dated April 1, 1990 constituted a partnership firm under the name 'Updater Services' (the "**Partnership Firm**"). The Partnership Firm was registered with the Registrar of Firms, Chennai under the provisions of the Indian Partnership Act, 1932, and a certificate of registration dated September 30, 1990 was issued to the Partnership Firm. The Partnership Firm was last re-constituted with effect from September 1, 2003, pursuant to a partnership deed dated September 1, 2003 between Raghunandana Tangirala, Shanthi Tangirala, Thatthappan Kesavan, Dunstan Williams Lyons, Joseph Fulbert Edward, Columbus Roy Suresh Kumar and Sankaranarayanan Mariappan (collectively, the "**Partners**"). Upon the conversion of the Partnership Firm into a private limited company in accordance with Part IX of the Companies Act, 1956, the Partners were issued Equity Shares of face value of ₹ 10 each in our Company upon adjustment of their rights and accounts in the Partnership Firm, in the manner described in "*Capital Structure*" at page 94.

Change in Registered Office of our Company

Except as disclosed below, our Company has not changed its Registered Office since its incorporation.

Date of Change	Details of change	Reasons for change
December 1, 2006	Registered office of our Company was changed from No. 42, Luz Avenue, Mylapore, Chennai 600 004, Tamil Nadu, India to 7-21, Sakthi Garden, DB Jain College Hostel Road, Off Old Mahabalipuram Road, Thoraipakkam, Chennai, 600 096, Tamil Nadu, India.	For operational convenience
January 6, 2016	Registered office of our Company was changed from 7-21, Sakthi Garden, DB Jain College Hostel Road, Off Old Mahabalipuram Road, Thoraipakkam Chennai 600 096, Tamil Nadu, India to No. 2/302-A, UDS Salai, Off Old Mahabalipuram Road, Thoraipakkam Chennai 600 097, Tamil Nadu, India.	For operational convenience

Main Objects of our Company

The main object contained in the Memorandum of Association of our Company is as mentioned below:

1. *To carry on business of rendering of any services including but not limited to Facility Management, Building Maintenance, Project Management, Logistics Management, Contract Management, Contract staffing, Contract Administration to any person, Firm, Company, Trust, Association, Institution, Society, Body Corporate, Government / or Government Department, Public or Local Authority or any other Organisation whatsoever including advisory and/ or consultancy on all matters relating to the administration, management, organization, manufacture, production, Storage, Maintenance, Staffing, Administration, Marketing, Distribution, sale and purchase of goods, property, personnel, accounts and any other Activities of and in relation to any business, Trade, Commerce, Industry, to Carry on all any of the business of industrial, business, commercial and Personnel consultants ; to advice upon the means, methods and procedures for the Establishment, Development, Improvement and Expansion of any of all types of Business, Trade, Commerce and Industry and all systems, Methods, Techniques, Processes, principles in relation to the foregoing.*

2. *To carry on the business of Caterers and contractors, Food Courts, Fast food centres, Restaurants, ice and coffee shops, cafes, snack bars, event managers, running Institute for training persons in management of Hotels, travel services, Cooking and catering services and to provide all kinds of caterings.*

3. *To carry on the business of Trading, distribution, agencies, Importing, Exporting and Dealing in all Commodities including articles, Electrical and Electronic Goods, House hold items, Computers, Hardware & Software, Consumer Durables of all kinds whether Plastic, Metal or otherwise, Agriculture Products, Pesticides, Consumer Durables & Appliances, Textiles, Cosmetics, Food items, Edible oils of all kinds.*

4. *To Develop, Organise, Implement and Maintain Software for Computer Application, Internet and Intranet based solutions, Mobile Applications and solutions for usage in corporates, trades, Government and all related organisations.*

5. *To carry on the business of Computer Software, providing software solutions, Enterprises Resources Planning, Website/Portal Development, Data Warehousing, BPO, Off-shore Operations, e-commerce related services, designing, implementation, and maintaining of Information Technology Services for all industries and software related activities.*

6. *To carry on business of buying and selling of Computer, Mobile and Telecom hardware and software.*

7. *To carry on business of providing security services of all kinds and description for the protection of personnel, property and generally of any asset or rights in India or abroad.*

8. *To deal in all types of personal, residential, commercial and industrial security services, to provide bodyguards, security guard, security system installation and monitoring as well as background screening.*

9. *To carry on business of a detective and investigation bureau in civil, criminal, commercial, financial, social, matrimonial and any other matter.*

10. *To carry on business as advisors and consultants on all matters relating to security and protection of personnel, property and rights of all kinds of description.*

Amendments to our Memorandum of Association

Set out below are the amendments to our Memorandum of Association in the ten years preceding the date of this Draft Red Herring Prospectus:

Date of shareholders' resolution / amendment	Nature of amendment
June 17, 2015	Clause III A of our Memorandum of Associations was amended to reflect the insertion of the following in the main objects of the Company: "*7. To carry on business of providing security services of all kinds and description for the protection of personnel, property and generally of any asset or rights in India or abroad.* *8. To deal in all types of personal, residential, commercial and industrial security services, to provide bodyguards, security guard, security system installation and monitoring as well as background screening.* *9. To carry on business of a detective and investigation bureau in civil, criminal, commercial, financial, social, matrimonial and any other matter.* *10. To carry on business as advisors and consultants on all matters relating to security and protection of personnel, property and rights of all kinds of description.*"
March 14, 2017	Clause V of our Memorandum of Association was amended to reflect the increase in our authorised share capital from ₹ 101,000,000, divided into 10,100,000 Equity Shares of face value ₹ 10 each to ₹ 530,000,000, divided into 53,000,000 Equity Shares of face value ₹ 10 each.
February 22, 2022	Clause I of our Memorandum of Association was amended to reflect the change in our name from 'Updater Services Private Limited' to 'Updater Services Limited'
March 4, 2023	Clause V of our Memorandum of Association was amended to reflect the increase in our authorised share capital from ₹ 530,000,000 divided into 53,000,000 Equity Shares of face value ₹ 10 each to ₹ 750,000,000 divided into 75,000,000 Equity Shares of face value ₹ 10 each.

Major events and milestones of our Company

The table below sets forth the key events in the history of our Company:

Calendar Year	Particulars
1990	Our Company was founded as a partnership firm between Raghunandana Tangirala and K. Hariharan for undertaking catering contracts, housekeeping and maintenance contracts, manpower hiring contracts and other allied activities
2000	Reconstitution of our partnership firm to admit, Shanthi Tangirala, as a partner
2002	Entered into an agreement with Saint-Gobain Glass India Private Limited for providing operations services
2003	Conversion from partnership firm to a private limited company
2006	Total revenue of our Company crossed ₹ 500.00 million for the Financial Year ended March 31, 2006
	Acquisition of 51% shareholding in Avon Solutions and Logistics Private Limited, a mail room management company with a pan India presence
2010	Entered into an agreement with one of largest private airports in India
2014	Entered into an agreement for facility management services with a hospital
	Obtained a rating from a credit rating agency
2015	Total revenue of our Company crossed ₹ 5,000.00 million for the Financial Year ended March 31, 2015
2016	Entered into an agreement for providing facility management services for a metro rail
2017	Acquisition of 100% shareholding in Stanworth Management Private Limited
	Acquisition of 65% shareholding in Fusion Foods and Catering Private Limited, which is engaged in hospitality and industrial catering
2018	Entered into an agreement for providing and managing the human resource services at a hospital in Ahmedabad
	Acquisition of 70% stake in Global Flight Handling Services Private Limited
2019	Rolling out Employee Stock Option Plan for its employees
	Entered into an agreement with a large conglomerate for property and facility management services at Sardar Vallabhbhai Patel – Statue of Unity
	Total revenue of our Company crossed ₹ 10,000.00 million for the Financial Year ended March 31, 2020
	Appointed as facility manager to manage the operation and management of three railway stations
	Acquisition of 75% shareholding in Matrix Business Services India Private Limited
	Acquisition of 74% shareholding in Washroom Hygiene Concepts Private Limited
2020	Entered into an agreement for operation and maintenance of liquid terminal at Kattupali Port
	Entered into an agreement with one of the leading medical education and research institute in Pondicherry
2022	Acquisition of 57% shareholding in Athena BPO Private Limited

Key awards, accreditations or recognitions

Our Company has received the following key awards, accreditation and recognition:

Calendar Year	Particulars
2003	Our Company was registered by Intertek as conforming to the requirements of ISO 9001:2015
2013	Harit Ratna Award by Youth ExNoRa International and US Consulate General on the occasion of world environment day 2013
	Engineering service provider of the year - Terminal awarded by Delhi International Airport Limited
2014	Our Company was registered by Intertek as conforming to the requirements of ISO 45001:2018
2016	Certificate of Excellence in the category of engineering service provider of the year - Terminal at GMR – IGI airport awards 2016
	Awarded the 'Best Contractor' by Hyundai
2017	Second prize at Confederation of Indian Industry – National 5S Excellence Awards 2017 (Service Industry)
2018	Our Company was registered by Intertek as conforming to the requirements of ISO 14001:2015
2019	Certified as a premium member of the British Safety Council
2021	Our Company was provided certificate number 'IS 742721' by BSI Assurance UK Limited as it complies with the requirements of ISO/IEC 27001:2013
	Our Company was provided certificate number 'AMS 726997' by BSI Assurance UK Limited as it complies with the requirements of ISO 55001:2014
	Certificate of appreciation awarded by CapitaLand India for the dedicated support for the operation of ITPC during the pandemic period
	Our Company was awarded the honour of excellence by Saint-Gobain for our Company's continued support to its glass business operations through the pandemic years 2020 and 2021
	Our Company was provided certificate number 'FMMSS 742721' by BSI Assurance UK Limited as it complies with the requirements of ISO 41001:2018
2022	Awarded the 2022 India Notable Supplier Award at the Bosch India Regional Supplier Awards 2022 in the material field category for facility management
	Our Company was assessed by Euro Assessments & Certification Ltd and was found compliant with the requirements of SA 8000:2014

Calendar Year	Particulars
	A certificate of appreciation presented to our Company for outstanding support and service by Yusen Logistics (India) Private Limited
	Our Subsidiary, Matrix India, was recognised as "Partner of the Year 2022" by P&G at their headquarters in Cincinnati, USA
	Our Subsidiary, Denave, was awarded the digital agency of the year by CMO Asia
	Our Subsidiary, Denave, was awarded the demand generation agency of the year by CMO Asia
	Our Subsidiary, Denave, was awarded the sales enablement company of the year by CMO Asia
2023	Recognised for the unwavering support provided to Expeditors and its customers
	Our Subsidiary, Denave, was recognized by Entrepreneur India for "Best Use of SEO Idea" at the Indian Digital Enabler Awards
	Our Subsidiary, Denave, recognized as a "Great Place to Work" by the Great Place to Work Institute

Launch of key products or services, entry in new geographies or exit from existing geographies

For details of launch of key products or services, entry in new geographies or exit from existing markets, capacity or facility creation and the location of plants see "*– Major Events and Milestones of our Company*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 234, 198 and 495 respectively.

Significant financial and/or strategic partners

Our Company does not have any financial or strategic partners as on the date of this Draft Red Herring Prospectus.

Time or cost overruns

There have been no time or cost overruns in respect of our business operations since incorporation.

Defaults or rescheduling of borrowings with financial institutions/banks

Our Company has not defaulted on repayment of any loan availed from any banks or financial institutions. The tenure of repayment of any loan availed by our Company from banks or financial institutions has not been rescheduled.

Revaluation of assets

Our Company has not revalued its assets in the 10 years preceding the date of this Draft Red Herring Prospectus.

Our holding company

As on the date of this Draft Red Herring Prospectus, our Company does not have a holding company.

Details regarding acquisition or divestment of business or undertakings

Except as disclosed below, there have been no material acquisitions or divestments of business or undertakings by our Company in the last 10 years:

1. ***Acquisition of Stanworth Management Private Limited as a subsidiary of our Company.***

Our Company entered into a share purchase agreement dated January 7, 2017, with M. Prakash and Nirmala Prakash (collectively, the "**Sellers**"), and Stanworth Management Private Limited (the "**Stanworth**"). Pursuant to the terms of the share purchase agreement, our Company acquired 1,732,000 equity shares of Stanworth, representing 100% of its share capital from the Sellers for an aggregate consideration of ₹ 26.25 million. On January 12, 2017, SMPL became a wholly owned subsidiary of our Company.

2. Acquisition of Fusion Foods and Catering Private Limited as a subsidiary of our Company.

Our Company entered into a share subscription and purchase agreement dated September 22, 2017, with Sridhar Krishnamurthi, Ramakrishnan Sundaresan, Chandrasekharan Srikanth (collectively, the "**Sellers**") and Fusion Foods and Catering Private Limited (the "**Fusion Foods**"). Pursuant to the terms of the share subscription and purchase agreement, our Company acquired 17,401 the equity shares of Fusion Foods over multiple tranches for an aggregate consideration of ₹ 142.19 million. On November 11, 2021, Fusion Foods became a wholly owned subsidiary of our Company.

3. ***Acquisition of Global Flight Handling Services Private Limited as a subsidiary of our Company.***

Our Company entered into a share purchase and investment agreement dated July 16, 2018, with Sujatha Gudhi (the "**Seller**") and Global Flight Handling Services Private Limited (the "**Global Flight Handling**"). Pursuant to the terms of the share purchase and investment agreement, our Company acquired 8,325 equity shares of Global Flight Handling from the Seller for an aggregate consideration of ₹ 13.18 million.

4. ***Acquisition of Matrix Business Services India Private Limited as a subsidiary of our Company.***

Our Company entered into an investment agreement dated April 25, 2019 (the "**Investment Agreement**"), with Balasubramanian Chidambaram Pondicherry, Gopalan Viswanathan, P. Sankararaman, Jayasree Srinivasan, G. Mukund, P.P. Vishwanathan (collectively, the "**Matrix Promoters**"), Ramesh Sharma, Swaminathan Ramaswamy, P. Swaminathan (collectively, the "**Matrix Sellers**") and Matrix Business Services India Private Limited (the "**Matrix**"). Further, our Company has also entered into a share purchase agreement dated April 25, 2019 (the "**Share Purchase Agreement**") with Kotak Mahindra Investments Limited and Mahindra and Mahindra Contech Limited (collectively, the "**Matrix Investors**"). Pursuant to the terms of the Investment Agreement and the Share Purchase Agreement, our Company acquired 418,211 equity shares of Matrix, representing 100% of its share capital from the Matrix Promoters and Matrix Sellers across multiple tranches for an aggregate consideration of ₹ 553.74. Matrix became a wholly owned subsidiary of our Company on March 21, 2023.

5. ***Acquisition of Washroom Hygiene Concepts Private Limited as a subsidiary of our Company.***

Our Company entered into an investment agreement dated September 5, 2019, with Jatinder Pal Singh Bakshi, Gurminder Kaur, Four Winds Project Private Limited (collectively, the "**Promoters**") and Washroom Hygiene Concepts Private Limited (the "**Washroom Hygiene Concepts**"). Pursuant to the terms of the investment agreement, our Company acquired 97,148 equity shares of Washroom Hygiene Concepts, representing 100% of its share capital from the Promoters across multiple tranches for an aggregate consideration of ₹ 179.57 million. Washroom Hygiene Concepts became a wholly owned subsidiary of our Company on August 31, 2021.

6. ***Acquisition of Denave India Private Limited as a subsidiary of our Company***

Our Company entered into an investment agreement dated October 7, 2021 (the "**Investment Agreement**"), with Snehashish Bhattacharjee, Ramaswamy Narayan, Debabrata Majumdar, Anubrata Banerjee, Subinder Jeet Singh Khurana, Ritu Rastogi and Denave India Private Limited (the "**Denave**"). Pursuant to the terms of the Investment Agreement, our Company agreed to subscribe to and purchase the equity shares of Denave over three tranches, in the manner set out below:

(a) *First Tranche*: Our Company purchased 9,666,329 equity shares of Denave, representing 54.07% of its share capital for an aggregate consideration of ₹ 629.96 million in the Financial Year ended March 31, 2022.

(b) *Second Tranche*: Our Company shall be required to purchase 4,461,415 equity shares (the "**Tranche II Shares**") of Denave representing 24.00% of its share capital by June 30, 2023, if the EBITDA of Denave for the Financial Year ended March 31, 2023, is more than 50% of the projected EBITDA as mentioned in the Investment Agreement. However, if the EBITDA for the year is lower than 50% of the projected EBITDA, then our Company shall have the discretion to either acquire the Tranche II Shares or defer the purchase to until June 30, 2024. The purchase consideration of the Tranche II Shares shall be in accordance with the Investment Agreement.

(c) *Third Tranche*: Our Company shall be required to purchase 4,461,484 (the "**Tranche III Shares**") equity shares of Denave representing 24.00% of its share capital by June 30, 2024, if the EBITDA of Denave for the Financial Year ended March 31, 2024, is more than 50% of the projected EBITDA as mentioned in the Investment Agreement. However, if the EBITDA for the year is lower than 50% of the projected EBITDA, then our Company has the discretion to either acquire the Tranche III Shares or defer the purchase to until the expiry of the twelve months beginning from June 30, 2024. Further in the event that the Company chooses to defer the purchase of Tranche II Shares until June 30, 2024, then such Tranche II Shares will be purchased along with Tranche III Shares. The purchase consideration of the Tranche III Shares shall be in accordance with the Investment Agreement.

Pursuant to the completion of the third tranche, our Company shall hold 18,589,228 equity shares of Denave representing 99.99% of its share capital.

7. ***Acquisition of Athena BPO Private Limited as a subsidiary of Company***

Our Company entered into a share purchase and shareholders' agreement dated December 14, 2022 (the "**Share Purchase Agreement**") with Elizabeth Jacob (the "**Promoter**"), Venugopalan Swaminathan, Harish R. Pandeya, Issac Cherian Jacob and Athena BPO Private Limited ("**Athena**"). Pursuant to the terms of the Share Purchase agreement, our Company agreed to subscribe to and purchase the equity shares of Athena over four tranches, in the manner set out below:

(a) First Tranche: Our Company purchased 32,824 equity shares of Athena representing 57% of its share capital for a purchase consideration of ₹ 819.40 million in the Financial Year ended March 31, 2023.

(b) Second Tranche: Our Company will be required to purchase 9,501 equity shares of Athena representing 16.50% of its share capital before October 15, 2024, for a purchase consideration basis the equity valuation as mentioned under the Share Purchase Agreement.

(c) Third Tranche: Our Company will be purchasing 9,501 equity shares of Athena representing 16.50% of its share capital before October 15, 2025, for a purchase consideration basis the equity valuation as mentioned under the Share Purchase Agreement.

(d) Fourth Tranche: Our Company will be purchasing 5,758 equity shares of Athena representing 10% of its share capital from the Promoter after the completion of the Financial Year ended March 31, 2027, which could be extended by mutual consent for another year, for a purchase consideration basis the equity valuation as mentioned under the Share Purchase Agreement.

Pursuant to the completion of the fourth tranche, our Company shall hold 57,584 equity shares of Athena representing 100% of its share capital.

Mergers or amalgamation

Our Company has not been party to any merger or amalgamation in the 10 years preceding the date of this Draft Red Herring Prospectus.

Details of shareholders' agreements

Details of subsisting shareholder's agreements among our shareholders *vis-a-vis* our Company, which our Company is aware of, as on the date of this Draft Red Herring Prospectus, are provided below:

Investment Agreement dated January 19, 2017 executed by and among the India Business Excellence Fund - II, India Business Excellence Fund – IIA (together, the "Investors"), Raghunandana Tangirala, Shanthi Tangirala, Tangi Facility Solutions Private Limited and our Company, as amended ("Investment Agreement") read with amendment agreement dated March 27 , 2023, executed by and among the India Business Excellence Fund - II, India Business Excellence Fund – IIA, the Investors, Raghunandana Tangirala, Shanthi Tangirala, Tangi Facility Solutions Private Limited and our Company (the "Amendment Agreement")

Our Promoters, the Investors, Tangi Facility Solutions Private Limited ("**Tangi**") and our Company have entered into an investment agreement dated January 19, 2017 (along with any modifications thereto, the "**Investment Agreement**"), *inter alia*, in order to record the terms and conditions on which the Investors have subscribed to and purchase Equity Shares of our Company, and the rights and obligations of the Shareholders of the Company in the management and control over the affairs of our Company. Subsequently, the parties to the Investment Agreement entered into a supplemental agreement dated February 9, 2017 in order to modify the manner in which the Investors subscribed to and purchased Equity Shares of our Company. Pursuant to the Investment Agreement, as amended, the Investors agreed to subscribe to and purchase the Equity Shares of our Company over two tranches, in the manner set out below:

(a) *First tranche:* India Business Excellence Fund – II agreed to subscribe to 262,651 Equity Shares of our Company for a consideration of ₹ 160.01 million. Further, India Business Excellence Fund – IIA agreed to subscribe to Equity Shares of our Company over two sub-tranches, in the following manner:

Sub-tranche 1: India Business Excellence Fund – IIA agreed to subscribe to 311,898 Equity Shares of our Company for a consideration of ₹ 190.01 million.

Sub-tranche 2: India Business Excellence Fund – IIA agreed to subscribe to 246,235 Equity Shares of our Company for a consideration of ₹ 150.01 million.

(b) *Second tranche:* India Business Excellence Fund – II agreed to subscribe to 1,444,580 Equity Shares for a consideration of ₹ 160.00 million, and India Business Excellence Fund – IIA agreed to subscribe to 3,069,734 Equity Shares for a consideration of ₹ 340.00 million.

Pursuant to the Investment Agreement, several rights were granted to the Investors including (i) the right to appoint an observer to our Board, (ii) tag along rights, (iii) right of first offer, and (iv) information and inspection rights, among others. In terms of the Investment Agreement, our Company is not permitted to grant rights to any person that are superior to those granted to the Investor. Further, our Promoters and Tangi are also restricted from being involved in any business which competes with the business of our Company, or interfering with the continuance of supplies to our Company. Additionally, our Company may not take any decisions or actions, without the prior consent of the Investors, in relation to, *inter alia*, (i) amendments to our constitutional documents, (ii) changing the composition of our Board, (iii) capital expenditures of an amount over ₹ 10.00 million, (iv) selling, purchasing, leasing, licensing or transferring assets in excess of ₹ 10.00 million, (v) appointing, removing or determining the terms of employment of our Directors or Key Managerial Personnel, (vi) paying dividends, or (vii) approving our financial statements or those of our Subsidiaries.

The Investment Agreement was further amended by the Amendment Agreement pursuant to which, the parties have agreed to (i) amend certain terms of the Investment Agreement in terms of the provisions mentioned in the Amendment Agreement; (ii) waive certain rights and consent to certain matters under the Investment Agreement from the date of execution until the date of listing of the Equity Shares on Stock Exchanges pursuant to the initial public offering (the "**Listing Date**"); and (iii) terminate the Investment Agreement, in the manner set out in the Amendment Agreement, on and from the Listing Date. As per the terms of the Amendment Agreement, each party (to the extent that such party is entitled to rights under the relevant clauses) has agreed to waive its rights under the relevant provisions of the Investment Agreement including in relation to (i) fresh issuance of securities; (ii) anti-dilution rights; (iii) nomination rights; (iv) restrictions on transfer of securities; (v) right of first offer; (vi) tag along rights; (vii) exit rights, among others, until listing, in order to facilitate the Offer, to the extent that the provisions of such clauses shall not be required to be complied with in relation to the Equity Shares Offered for Sale or being issued as part of the Fresh Issue, pursuant to the Offer.

Further, in accordance with the provisions of the Investment Agreement, in the event of the Investor achieving liquidity in relation to the Offer, and subject to the internal rate of return ("**IRR**"), as agreed to in the Investment Agreement, received by the Investor on the aggregate amount of their investment exceeding 24.50% of IRR, our Promoters and Tangi shall receive 50% of the excess amount actually received or deemed to have been received by such Investor. The Investors agree to share the investor excess in terms of the Investment Agreement either (i) immediately prior to filing of the Red Herring Prospectus by our Company with the Securities and Exchange Board of India; or (ii) post listing of the Equity Shares of our Company on the Stock Exchanges pursuant to the Offer. Further, the provisions in relation to sharing of investor excess shall survive the termination of the Investment Agreement post Listing Date, however, any sharing of investor excess post the Listing Date shall be subject to receipt of requisite approvals, including from our Board and Shareholders, as required under Regulation 26(6) of the SEBI Listing Regulations, upon listing of the Equity Shares on the Stock Exchanges.

Agreements with Senior Management, Key Managerial Personnel, Director, Promoter or any other employee in relation to compensation or profit sharing in connection with the dealings in the securities of our Company

Except the SHA as disclosed above in "- *Details of shareholders' agreements - Investment Agreement dated January 19, 2017 executed by and among the India Business Excellence Fund - II, India Business Excellence Fund – IIA (together, the "Investors"), Raghunandana Tangirala, Shanthi Tangirala, Tangi Facility Solutions Private Limited and our Company, as amended ("Investment Agreement")*" on page 238, neither our Promoters, nor any of the Senior Management, Key Managerial Personnels, Directors or employees of our Company have entered into an agreement, either by themselves or on behalf of any other person, with any Shareholder or any other third party with regard to compensation or profit sharing in connection with the dealings of the securities of our Company.

Guarantees given by our Promoters

Our Promoters have not given any guarantee to any third parties as on the date of this Draft Red Herring Prospectus.

Other agreements

Our Company has not entered into any other subsisting material agreement, including with strategic partners, joint venture partners and/or financial partners, other than in the ordinary course of business.

Further, we confirm that except as disclosed in this Draft Red Herring Prospectus, there are no other inter-se agreements or arrangements between our Shareholders, Promoters, deeds of assignment, acquisition agreements, shareholders' agreements or other agreements of a like nature, or agreements comprising material clauses / covenants that are required to be disclosed in this Draft Red Herring Prospectus or containing clauses / covenants that are adverse / prejudicial to the interest of minority / public shareholders.

OUR SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

As on the date of this Draft Red Herring Prospectus, our Company has the following Subsidiaries, associates and joint ventures:

Subsidiaries

(i) Athena BPO Private Limited;
(ii) Avon Solutions & Logistics Private Limited;
(iii) Denave India Private Limited;
(iv) Fusion Foods & Catering Private Limited;
(v) Global Flight Handling Services Private Limited;
(vi) Integrated Technical Staffing and Solutions Private Limited;
(vii) Matrix Business Services India Private Limited;
(viii) Stanworth Management Private Limited;
(ix) Tangy Supplies and Solutions Private Limited;
(x) Updater Services (UDS) Foundation;
(xi) Washroom Hygiene Concepts Private Limited; and
(xii) Wynwy Technologies Private Limited.

Step-Down Subsidiaries

(i) Athena Call Centre Services Private Limited;
(ii) Denave Europe Limited;
(iii) Denave (M) SDN. BHD;
(iv) Denave sp. Z.o.o;
(v) Denave PTE. LTD;
(vi) Global Flight Handling Services (Patna) Private Limited;
(vii) Global Flight Handling Services (Pune) Private Limited;
(viii) Global Flight Handling Services (Raipur) Private Limited;
(ix) Global Flight Handling Services (Surat) Private Limited; and
(x) Global Flight Handling Services (Vizag) Private Limited.

Associates

As on the date of this Draft Red Herring Prospectus, our Company does not have any associates.

Joint Ventures

As on the date of this Draft Red Herring Prospectus, our Company does not have any joint ventures.

Unless stated otherwise, the details in relation to our Subsidiaries provided below are as on the date of this Draft Red Herring Prospectus.

Details of our Subsidiaries

1. Athena BPO Private Limited

Corporate Information

Athena BPO Private Limited was incorporated as a private limited company on January 1, 1993 as Andromeda Marketing Private Limited, under Companies Act, 1956 with the Registrar of Companies, Maharashtra at Mumbai and bears the corporate identity number 'U51900MH1993PTC070252'. Its name was subsequently changed to Andromeda BPO Private Limited, and a fresh certificate of incorporation dated March 19, 2012 was issued by with Registrar of Companies, Maharashtra at Mumbai. Andromeda BPO Private Limited's name was subsequently changed to Athena BPO Private Limited, and a fresh certificate of incorporation dated August 6, 2016 was issued by the Registrar of Companies, Maharashtra at Mumbai. Its registered office is situated at 123, Creative Industrial Premises, Sunder Nagar Kalina, Santacruz Mumbai, Maharashtra 400 098.

Nature of business

Athena BPO Private Limited is engaged in the business of providing services of inbound call centre services, outbound call centre services, back-office support services, business process outsourcing and data processing services as authorized under the objects clause of its memorandum of association.

Capital Structure

The authorised share capital of Athena BPO Private Limited is ₹ 19,000,000 divided into 190,000 equity shares of ₹ 100 each. The issued, subscribed and paid-up equity share capital of Athena BPO Private Limited is ₹ 5,758,400 divided into 57,584 equity shares of ₹ 100 each.

Shareholding pattern

The shareholding pattern of Athena BPO Private Limited as on date is as provided below:

Name of the shareholder	Number of equity shares	Percentage of the issued and paid-up share capital (%)
Updater Services Limited	32,824	57.00
Elizabeth Jacob	24,760	43.00
Total	**57,584**	**100.00**

2. Avon Solutions & Logistics Private Limited

Corporate Information

Avon Solutions & Logistics Private Limited was incorporated as a private limited company on December 2, 2002 under the Companies Act, 1956 with Registrar of Companies, Tamil Nadu at Chennai, and bears the corporate identity number U72200TN2002PTC049961. Its registered office is situated at Balammal building, 1 Floor, No. 33, Burkit Road, T. Nagar, Chennai 600 017, Tamil Nadu, India.

Nature of business

Avon Solutions & Logistics Private Limited is engaged in the business of mail room management and allied services such as niche logistics solutions.

Capital Structure

The authorised share capital of Avon Solutions & Logistics Private Limited is ₹ 3,000,000 divided into 30,000 equity shares of ₹ 100 each. The issued, subscribed and paid-up equity share capital of Avon Solutions & Logistics Private Limited is ₹ 2,484,500 divided into 24,845 equity shares of ₹ 100 each.

Shareholding pattern

The shareholding pattern of Avon Solutions & Logistics Private Limited as on date is as provided below:

Name of the shareholder	Number of equity shares	Percentage of the issued and paid-up share capital (%)
Updater Services Limited	18,883	76.00
Latha Krishna Kumar	5,962	24.00
Total	**24,845**	**100.00**

3. Denave India Private Limited

Corporate Information

Denave was incorporated as a private limited company on January 12, 1999 as 'Denave Software India Private Limited' under the Companies Act, 1956 with Registrar of Companies, Karnataka at Bangalore, and bears the corporate identity number 'U85110DL1999PTC190362'. Subsequently, its name was changed to Denave India Private Limited and a fresh certificate of incorporation dated January 19, 2006 was issued by Registrar of Companies, Karnataka at Bangalore. Its registered office is situated at No. 406A, Indraprastha Tower, 6, Commercial Complex, Wazirpur, New Delhi, 110 052 India.

Nature of business

Denave is engaged in a gamut of services related to sales, channel management and marketing to IT/ Tech companies, consumer durable, FMCG and BFSI Industries. Our services include demand generation, lead management, inside sales, data base management services, digital marketing, sales and retail analytics, customer outreach, field force management as well as field marketing services as authorized under the objects clause of its memorandum of association.

Capital Structure

The authorised share capital of Denave is ₹ 50,000,000 divided into 50,000,000 equity shares of ₹ 1 each. The issued, subscribed and paid up equity share capital of Denave India Private Limited is ₹ 17,876,358 divided into 17,876,358 equity shares of ₹ 1 each.

Shareholding pattern

The shareholding pattern of Denave as on date is as provided below:

Name of the shareholder	Number of equity shares	Percentage of the issued and paid-up share capital (%)
Debrata Majumdar	2,523,105	14.11
Ramaswamy Narayan	2,523,105	14.11
Snehashish Bhattacharjee	3,163,748	17.70
Geeta Vikram Khurana	71	0.01
Updater Services Limited	9,666,329	54.07
Total	**17,876,358**	**100.00**

4. Fusion Foods and Catering Private Limited

Corporate Information

Fusion Foods and Catering Private Limited was incorporated as a private limited company on June 11, 2008 as 'Palimar Catering Private Limited' under the Companies Act, 1956 with Registrar of Companies, Tamil Nadu at Chennai, and bears the corporate identity number 'U55100TN2008PTC068154'. Subsequently its name was changed to Fusion Foods and Catering Private Limited and a fresh certificate of incorporation dated September 24, 2009 was issued by the Registrar of Companies, Tamil Nadu at Chennai. Its registered office is situated at No. 2 & 3, 3rd Floor, Gokul Arcade, East Wing, Door No. 2 & 2A, Sardar Patel Road, Adyar, Chennai 600 020, Tamil Nadu, India.

Nature of business

Fusion Foods and Catering Private Limited is engaged in the business of providing corporate and industrial catering services and allied services as authorized under the objects clause of its memorandum of association.

Capital Structure

The authorised share capital of Fusion Foods and Catering Private Limited is ₹ 1,000,000 divided into 100,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up equity share capital of Fusion Foods and Catering Private Limited is ₹ 174,010 divided into 17,401 equity shares of ₹ 10 each.

Shareholding pattern

The shareholding pattern of Fusion Foods and Catering Private Limited as on date is as provided below:

Name of the shareholder	Number of equity shares	Percentage of the issued and paid-up share capital (%)
Updater Services Limited	17,400	99.99
K. Sridhar	1	0.01
Total	**17,401**	**100.00**

5. **Global Flight Handling Services Private Limited**

Corporate Information

Global Flight Handling Services Private Limited was incorporated as a private limited company on September 09, 2014 under the Companies Act, 2013 with Registrar of Companies, Tamil Nadu at Chennai, and bears the corporate identity number 'U74900TN2014PTC097283'. Its registered office is situated at Rayala Towers, Tower II, First Floor, New No. 158, Old No. 781, Shop No. 24A, Annai Salai, Chennai 600 002, Tamil Nadu, India.

Nature of business

Global Flight Handling Services Private Limited is engaged in the business of providing ground service support for airlines as authorized under the objects clause of its memorandum of association.

Capital Structure

The authorised share capital of Global Flight Handling Services Private Limited is ₹ 1,000,000 divided into 100,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up equity share capital of Global Flight Handling Services Private Limited is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each.

Shareholding pattern

The shareholding pattern of Global Flight Handling Services Private Limited as on date is as provided below:

Name of the shareholder	Number of equity shares	Percentage of the issued and paid-up share capital (%)
Updater Services Limited	8,325	83.25
G Sujatha	875	8.75
Sarita Kumari	800	8.00
Total	**10,000**	**100.00**

6. **Integrated Technical Staffing and Solutions Private Limited**

Corporate Information

Integrated Technical Staffing and Solutions Private Limited was incorporated as a private limited company on December 14, 2007 under the Companies Act, 1956 with Registrar of Companies, Tamil Nadu at Chennai, and bears the corporate identity number 'U74910TN2007PTC065730'. Its registered office is situated at 1/4, Leelavathi Nagar, Sikkarayapuram, Mangadu, Chennai 600 069, Tamil Nadu, India.

Nature of business

Integrated Technical Staffing and Solutions Private Limited is engaged in the business to provide technical and other staff, on temporary and permanent basis to commercial and industrial establishment such as property and facility management services, contract management and staffing solutions as authorized under the objects clause of its memorandum of association.

Capital Structure

The authorised share capital of Integrated Technical Staffing and Solutions Private Limited is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up equity share capital of Integrated Technical Staffing and Solutions Private Limited is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each.

Shareholding pattern

The shareholding pattern of Integrated Technical Staffing and Solutions Private as on date is as provided below:

Name of the shareholder	Number of equity shares	Percentage of the issued and paid-up share capital (%)
Updater Services Limited	9,999	99.99

Name of the shareholder	Number of equity shares	Percentage of the issued and paid-up share capital (%)
Raghunandana Tangirala (nominee shareholder)	1	0.01
Total	**10,000**	**100.00**

7. Matrix Business Services India Private Limited

Corporate Information

Matrix Business Services India Private Limited was incorporated as a private limited company on August 29, 2003 as 'Mavis Business Services Private Limited' under the Companies Act, 1956 with Registrar of Companies, Tamil Nadu at Chennai, and bears the corporate identity number 'U74140TN2003PTC051482'. Subsequently its name was changed to Matrix Business Services India Private Limited and a fresh certificate of incorporation dated March 17, 2006 was issued by the Registrar of Companies, Tamil Nadu at Chennai. Its registered office is situated at Sree Maha Madhi Towers, New No. 17, Arulambal Street, T. Nagar, Chennai 600 017, Tamil Nadu, India.

Nature of business

Matrix Business Services India Private Limited is engaged in the business of business assurance services and employee background verification as authorized under the objects clause of its memorandum of association.

Capital Structure

The authorised share capital of Matrix Business Services India Private Limited is ₹ 6,000,000 divided into 600,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up equity share capital of Matrix Business Services India Private Limited is ₹ 3,837,110 divided into 383,711 equity shares of ₹ 10 each.

Shareholding pattern

The shareholding pattern of Matrix Business Services India Private Limited as on date is as provided below:

Name of the shareholder	Number of equity shares	Percentage of the issued and paid-up share capital (%)
Updater Services Limited	383,710	99.99
Raghunandana Tangirala (nominee shareholder)	1	Negligible
Total	**383,711**	**100.00**

8. Stanworth Management Private Limited

Corporate Information

Stanworth Management Private Limited was incorporated as a private limited company on August 14, 2013 under the Companies Act, 1956 with Registrar of Companies, Tamil Nadu at Chennai, and bears the corporate identity number 'U90000TN2013PTC092547'. Its registered office is situated at 42, Luz Avenue, Mylapore, Chennai 600 004, Tamil Nadu, India.

Nature of business

Stanworth Management Private Limited is engaged in business to carry on, the business of facility management services with focus on star hotels as authorized under the objects clause of its memorandum of association.

Capital Structure

The authorised share capital of Stanworth Management Private Limited is ₹ 20,000,000 divided into 2,000,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up equity share capital of Stanworth Management Private Limited is ₹ 17,320,000 divided into 1,732,000 equity shares of ₹ 10 each.

Shareholding pattern

The shareholding pattern of Stanworth Management Private Limited as on date is as provided below:

Name of the shareholder	Number of equity shares	Percentage of the issued and paid-up share capital (%)
Updater Services Limited	1,731,999	99.99
Raghunandana Tangirala (nominee shareholder)	1	0.01
Total	**1,732,000**	**100.00**

9. Tangy Supplies & Solutions Private Limited

Corporate Information

Tangy Supplies & Solutions Private Limited was incorporated as a private limited company on March 28, 2012 under the Companies Act, 1956 with Registrar of Companies, Tamil Nadu at Chennai, and bears the corporate identity number 'U74999TN2012PTC085193'. Its registered office is situated at 1/4, Leelavathi Nagar, Sikkarayapuram, Mangadu, Chennai 600 069, Tamil Nadu, India.

Nature of business

Tangy Supplies & Solutions Private Limited is engaged in the business of buying, marketing, selling, manufacturing, trading, importing, exporting, procuring, storing and dealing of cleaning materials, chemicals, consumables and all other housekeeping items and allied products, cleaning equipment, all kinds of shoes, stitching and tailoring of fabrics and cloths and marketing, selling, exporting as uniforms and dresses as authorized under the objects clause of its memorandum of association.

Capital Structure

The authorised share capital of Tangy Supplies & Solutions Private Limited is ₹ 1,000,000 divided into 100,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up equity share capital of Tangy Supplies and Solutions Private Limited is ₹ 1,000,000 divided into 100,000 equity shares of ₹ 10 each.

Shareholding pattern

The shareholding pattern of Tangy Supplies & Solutions Private Limited as on date is as provided below:

Name of the shareholder	Number of equity shares	Percentage of the issued and paid-up share capital (%)
Updater Services Limited	99,999	99.99
Raghunandana Tangirala (nominee shareholder)	1	0.01
Total	100,000	100.00

10. Updater Services (UDS) Foundation

Corporate Information

Updater Services (UDS) Foundation was incorporated as a private limited company on April 9, 2018 under the Companies Act, 2013 with Registrar of Companies, Tamil Nadu at Chennai, and bears the corporate identity number 'U74999TN2018NPL121981'. Its registered office is situated at 2/302-A, UDS Salai, Off Old Mahabalipuram, Thoraipakkam, Chennai 600 097, Tamil Nadu, India.

Nature of business

Updater Services (UDS) Foundation is engaged in the business of promoting education, healthcare and environmental protection. Further, it attempts to create awareness on various issues and supports rural development projects.

Capital Structure

The authorised share capital of Updater Services (UDS) Foundation is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each. The issued, subscribed and paid up equity share capital of Updater Services (UDS) Foundation is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each

Shareholding pattern

The shareholding pattern of Updater Services (UDS) Foundation as on date is as provided below:

Name of the shareholder	Number of equity shares	Percentage of the issued and paid-up share capital (%)
Updater Services Limited	9,999	99.99
Raghunandana Tangirala (nominee shareholder)	1	0.01
Total	**10,000**	**100.00**

11. Washroom Hygiene Concepts Private Limited

Corporate Information

Washroom Hygiene Concepts Private Limited was incorporated as a private limited company on January 24, 2003 as 'Citywide Facilities Private Limited' under the Companies Act, 1956 with Registrar of Companies, National Capital Territory of Delhi and Haryana, at New Delhi, and bears the corporate identity number 'U74999DL2003PTC118635'. Subsequently its name was changed to Washroom Hygiene Concepts Private Limited and a fresh certificate of incorporation dated October 15, 2007 was issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana, at New Delhi. Its registered office is situated at 4-D, Gopala Tower, Rajendra Place, New Delhi 110 008, India.

Nature of business

Washroom Hygiene Concepts Private Limited is engaged in the business of providing washroom sanitizing and hygiene solutions including feminine hygiene and products as authorised under the objects clause of the memorandum of association.

Capital Structure

The authorised share capital of Washroom Hygiene Concepts Private Limited is ₹ 1,500,000 divided into 150,000 equity shares of ₹ 10 each. The issued, subscribed and paid up equity share capital of Washroom Hygiene Concepts Private Limited is ₹ 971,480 divided into 97,148 equity shares of ₹ 10 each.

Shareholding pattern

The shareholding pattern of Washroom Hygiene Concepts Private Limited as on date is as provided below:

Name of the shareholder	Number of equity shares	Percentage of the issued and paid-up share capital (%)
Updater Services Limited	97,147	99.99
Raghunandana Tangirala (nominee)	1	0.01
Total	**97,148**	**100.00**

12. Wynwy Technologies Private Limited

Corporate Information

Wynwy Technologies Private Limited was incorporated as a private limited company on November 3, 2017 as 'Zappy Home Solutions Private Limited' under the Companies Act, 2013 with Registrar of Companies, Tamil Nadu at Chennai, and bears the corporate identity number 'U74999TN2017PTC119356'. Subsequently, its name was changed to Wynwy Technologies Private Limited and a fresh certificate of incorporation dated December 7, 2020 was issued by the Registrar of Companies, Tamil Nadu at Chennai. Its registered office is situated at 2/302-A, UDS Salai, Off Old Mahabalipuram, Thoraipakkam, Chennai 600 097, Tamil Nadu, India.

Nature of business

Wynwy Technologies Private Limited is engaged in the business of developing, selling and implementing an integrated IoT enabled software and hardware platform.

Capital Structure

The authorised share capital of Wynwy Technologies Private Limited is ₹ 1,000,000 divided into 100,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up equity share capital of Wynwy Technologies Private Limited is ₹ 1,000,000 divided into 100,000 equity shares of ₹ 10 each.

Shareholding pattern

The shareholding pattern of Wynwy Technologies Private Limited as on date is as provided below:

-	Number of equity shares	Percentage of the issued and paid-up share capital (%)
Updater Services Limited	99,999	99.99
Raghunandana Tangirala (nominee shareholder)	1	0.01
Total	**100,000**	**100.00**

Details of our step-down Subsidiaries

1. Athena Call Centre Services Private Limited ("Athena Call Centre Services")

Corporate Information

Athena Call Centre Services was incorporated as a private limited company on December 22, 2004, under the Companies Act, 1956 with Registrar of Companies, Maharashtra at Mumbai, and bears the corporate identification number 'U72900MH2004PTC150161'. Its registered office is situated at 123, Creative Ind Estates, under Nagar Kalina, Mumbai, Maharashtra, India 400 098.

Nature of business

Athena Call Centre Services is engaged in the business of providing outbound services to its clients as authorized under the objects clause of its memorandum of association.

Capital Structure

The authorised share capital of Athena Call Centre Services is ₹ 1,000,000 divided into 100,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up equity share capital of Athena Call Centre Services is ₹ 1,000,000 divided into 100,000 equity shares of ₹ 10 each.

Shareholding pattern

The shareholding pattern of Athena Call Centre Services as on date is as provided below:

Name of the shareholder	Number of equity shares	Percentage of the issued and paid-up share capital (%)
Athena BPO Private Limited	99,999	99.99
Elizabeth Jacob(nominee)	1	Negligible
Total	**100,000**	**100.00**

2. Denave Europe Limited ("Denave Europe")

Corporate Information

Denave Europe was incorporated as a private limited company on January 17, 2014 under the Companies Act, 2006 under the laws of England and Wales, and bears the corporate identification number '08850331'. Its registered office is situated at New Derwent House, 69-73 Theobalds Road, London WC1X 8TA, England.

Nature of business

Denave Europe is engaged in a gamut of services related to sales, channel management and marketing to IT/Tech companies, consumer durable, FMCG and BFSI industries. Our services include – demand generation, lead management, inside sales, database management services, digital marketing, sales and retail analytics, customer outreach, field force management as well as field marketing services as authorized under the objects clause of its memorandum of association.

Capital Structure

The authorised share capital of Denave Europe is GBP 10,000 divided into 10,000 equity shares of GBP 1 each. The issued, subscribed and paid up equity share capital of Denave Europe is GBP 10,000 divided into 10,000 equity shares of GBP 1 each.

Shareholding pattern

The shareholding pattern of Denave Europe as on date is as provided below:

Name of the shareholder	Number of equity shares	Percentage of the issued and paid-up share capital (%)
Denave India Private Limited	10,000	100.00
Total	**10,000**	**100.00**

3. Denave (M) SDN. BHD ("Denave Malaysia")

Corporate Information

Denave Malaysia was incorporated as a private limited company on April 10, 2012 under the Companies Act, 1965 (Malaysia) under the laws of Malaysia, and bears the corporate identification number '201201012764(986281W)'. Its registered office is situated at suite 1705A, Level 17 Menara Landmark 12 Jalan Ngee Heng 80000 Johar Bahru, Malaysia.

Nature of business

Denave Malaysia is engaged in a gamut of services related to sales, channel management and marketing to IT/Tech companies, consumer durable, FMCG and BFSI industries. Our services include – demand generation, lead management, inside sales, database management services, digital marketing, sales and retail analytics, customer outreach, field force management as well as field marketing services as authorized under the objects clause of its memorandum of association.

Capital Structure

The authorised share capital of Denave Malaysia is RM 2,450,000 divided into 1,988,550 equity shares of RM 1.23 each. The issued, subscribed and paid-up equity share capital of Denave Malaysia is RM 2,450,000 divided into 1,988,550 equity shares of RM 1.232 each.

Shareholding pattern

The shareholding pattern of Denave Malaysia as on date is as provided below:

Name of the shareholder	Number of equity shares	Percentage of the issued and paid-up share capital (%)
Denave India Private Limited	1,988,550	100.00
Total	**1,988,550**	**100.00**

4. Denave sp. Z.o.o ("Denave Poland")

Corporate Information

Denave Poland was incorporated as a limited liability company under the Polish Commercial Code of Companies Act under the laws of Poland on October 2, 2019, and bears the court register number '0000806871'. Its registered and corporate office is situated at Wiejska 17, Lok. 18, 00-480 Warszawa, Poland.

Nature of business

Denave Poland is engaged in a gamut of services related to sales, channel management and marketing to IT/Tech companies, consumer durable, FMCG and BFSI industries. Our services include – demand generation, lead management, inside sales, database management services, digital marketing, sales and retail analytics, customer outreach, field force management as well as field marketing services as authorized under the objects clause of its memorandum of association.

Capital Structure

The authorised share capital of Denave Poland is PLN 5,000 divided into 100 equity shares of PLN 50 each. The issued, subscribed and paid up equity share capital of Denave Poland is PLN 5,000 divided into 100 equity shares of PLN 50 each.

Shareholding pattern

The shareholding pattern of Denave Poland as on date is as provided below:

Name of the shareholder	Number of equity shares	Percentage of the issued and paid-up share capital (%)
Denave India Private Limited	100	100.00
Total	**100**	**100.00**

5. Denave PTE. LTD ("Denave Singapore")

Corporate Information

Denave Singapore was incorporated as a private limited company on April 11, 2006 under the Companies Act, (Capt. 50) under the laws of Singapore, and bears the corporate identification number '200605207G'. Its registered office is situated at 11 Coller Quay, #17-14, The Arcade, Singapore 049 317.

Nature of business

Denave Singapore is engaged in a gamut of services related to sales, channel management and marketing to IT/Tech companies, consumer durable, FMCG and BFSI industries. Our services include – demand generation, lead management, inside sales, database management services, digital marketing, sales and retail analytics, customer outreach, field force management as well as field marketing services as authorized under the objects clause of its memorandum of association.

Capital Structure

The authorised share capital of Denave Singapore is SGD 1 divided into 1 equity shares of SGD 1. The issued, subscribed and paid up equity share capital of Denave Singapore is SGD 1 divided into 1 equity shares of SGD 1.

Shareholding pattern

The shareholding pattern of Denave Singapore as on date is as provided below:

Name of the shareholder	Number of equity shares	Percentage of the issued and paid-up share capital (%)
Muthya Padmanabhachary Naryanachary	1	100.00
Total	**1**	**100.00**

6. Global Flight Handling Services (Patna) Private Limited ("Global Flight Handling Patna")

Corporate Information

Global Flight Handling Services Patna was incorporated as a private limited company on May 14, 2021 under the Companies Act, 2013 with Registrar of Companies, Bihar at Patna, and bears the corporate identification number 'U62200BR2021PTC052021'. Its registered office is situated at Door No 401, 4th Floor, OP Complex, P N Mall Road (Patliputra – Kurji Road), Patna, Bihar, India 800 010.

Nature of business

Global Flight Handling Services Patna is engaged in the business of providing ground service support for

airlines as authorized under the objects clause of its memorandum of association.

Capital Structure

The authorised share capital of Global Flight Handling Services Patna is ₹ 1,500,000 divided into 150,000 equity shares of ₹ 10 each. The issued, subscribed and paid up equity share capital of Global Flight Handling Services Patna is ₹ 1,500,000 divided into 150,000 equity shares of ₹ 10 each.

Shareholding pattern

The shareholding pattern of Global Flight Handling Services Patna as on date is as provided below:

Name of the shareholder	Number of equity shares	Percentage of the issued and paid-up share capital (%)
Global Flight Handling Services Private Limited	111,000	74.00
Bags Ground Services Co Limited	39,000	26.00
Total	**150,000**	**100.00**

7. Global Flight Handling Services (Pune) Private Limited ("Global Flight Handling Services Pune")

Corporate Information

Global Flight Handling Services Pune was incorporated as a private limited company on February 17, 2021 under the Companies Act, 2013 with Registrar of Companies, Maharashtra at Pune, and bears the corporate identification number 'U93090PN2021PTC198665'. Its registered office is situated at No. 101, Amrut Siddhi, Apartment, Laxmi Park, Behind Bhide Hospital, Navi Peth, Pune, Pune, Maharashtra, India 411 030.

Nature of business

Global Flight Handling Services Pune is engaged in the business of providing ground service support for airlines as authorized under the objects clause of its memorandum of association.

Capital Structure

The authorised share capital of Global Flight Handling Services Pune is ₹ 1,500,000 divided into 150,000 equity shares of ₹ 10 each. The issued, subscribed and paid up equity share capital of Global Flight Handling Services Pune is 1,500,000 divided into 150,000 equity shares of ₹ 10 each.

Shareholding pattern

The shareholding pattern of Global Flight Handling Services Pune as on date is as provided below:

Name of the shareholder	Number of equity shares	Percentage of the issued and paid-up share capital (%)
Global Flight Handling Services Private Limited	111,000	74.00
Bags Ground Services Co Limited	39,000	26.00
Total	**150,000**	**100.00**

8. Global Flight Handling Services (Raipur) Private Limited ("Global Flight Handling Services Raipur")

Corporate Information

Global Flight Handling Services Raipur was incorporated as a private limited company on October 20, 2021 under the Companies Act, 2013 with Registrar of Companies, Chhattisgarh at Bilaspur, and bears the corporate identification number 'U63040CT2021PTC012256'. Its registered office is situated at OTB Ground Floor, S.V Airport, Raipur, Raipur, Chhattisgarh, India 492 015.

Nature of business

Global Flight Handling Services Raipur is engaged in the business of providing ground service support for

airlines as authorized under the objects clause of its memorandum of association.

Capital Structure

The authorised share capital of Global Flight Handling Services Raipur is ₹ 1,500,000 divided into 150,000 equity shares of ₹ 10 each. The issued, subscribed and paid up equity share capital of Global Flight Handling Services Raipur is ₹ 1,500,000 divided into 150,000 equity shares of ₹ 10 each.

Shareholding pattern

The shareholding pattern of Global Flight Handling Services Raipur as on date is as provided below:

Name of the shareholder	Number of equity shares	Percentage of the issued and paid-up share capital (%)
Global Flight Handling Services Private Limited	111,000	74.00
Bags Ground Services Co Limited	39,000	26.00
Total	**150,000**	**100.00**

9. Global Flight Handling Services (Surat) Private Limited ("Global Flight Handling Services Surat")

Corporate Information

Global Flight Handling Services Surat was incorporated as a private limited company on October 14, 2021 under the Companies Act, 2013 with Registrar of Companies, Gujarat at Ahmedabad, and bears the corporate identification number 'U63030GJ2021PTC126393'. Its registered office is situated at Cabin No. 2, First Floor, Inside Terminal Building, Arrival Hall, Surat, Surat, Gujarat, India 395 007.

Nature of business

Global Flight Handling Services Surat engaged in the business of providing ground service support for airlines as authorized under the objects clause of its memorandum of association.

Capital Structure

The authorised share capital of Global Flight Handling Services Surat is ₹ 1,500,000 divided into 150,000 equity shares of ₹ 10 each. The issued, subscribed and paid up equity share capital of Global Flight Handling Services Surat is ₹ 1,500,000 divided into 150,000 equity shares of ₹ 10 each.

Shareholding pattern

The shareholding pattern of Global Flight Handling Services Surat as on date is as provided below:

Name of the shareholder	Number of equity shares	Percentage of the issued and paid-up share capital (%)
Global Flight Handling Services Private Limited	111,000	74.00
Bags Ground Services Co Limited	39,000	26.00
Total	**150,000**	**100.00**

10. Global Flight Handling Services (Vizag) Private Limited ("Global Flight Handling Services Vizag")

Corporate Information

Global Flight Handling Services Vizag was incorporated as a private limited company on May 18, 2021 under the Companies Act, 2013 with Registrar of Companies, Andhra Pradesh at Vijaywada, and bears the corporate identification number 'U62100AP2021PTC118299'. Its registered office is situated at First Floor, D. No. 1-168, Susarla Colony, Gopalapatnam, Vishakhapatnam, Andhra Pradesh, India 530 027.

Nature of business

Global Flight Handling Services Vizag is engaged in the business of providing ground service support for

airlines as authorized under the objects clause of its memorandum of association.

Capital Structure

The authorised share capital of Global Flight Handling Services Vizag ₹ 1,500,000 divided into 150,000 equity shares of ₹ 10 each. The issued, subscribed and paid up equity share capital of Global Flight Handling Services Vizag ₹ 1,500,000 divided into 150,000 equity shares of ₹ 10 each.

Shareholding pattern

The shareholding pattern of Global Flight Handling Services Vizag as on date is as provided below:

Name of the shareholder	Number of equity shares	Percentage of the issued and paid-up share capital (%)
Global Flight Handling Services Private Limited	111,000	74.00
Bags Ground Services Co Limited	39,000	26.00
Total	**150,000**	**100.00**

Accumulated profits or losses

There are no accumulated profits or losses of any of our Subsidiaries that have not been accounted for by our Company in the Restated Consolidated Financial Information as per applicable accounting standards.

Business interest of our Subsidiaries in our Company

As on the date of this Draft Red Herring Prospectus, except as disclosed in "*Our Business*" on page 198, our Subsidiaries do not have or propose to have any business interest in our Company.

Common Pursuits between our Subsidiaries and our Company

Except for Stanworth Management Private Limited, Fusion Foods & Catering Private Limited and Integrated Technical Staffing and Solutions Private Limited, none of our Subsidiaries are engaged in business similar to the business of our Company. Some of our Subsidiaries are authorised by their respective constitutional documents to engage in the same line of business as that of our Company. Our Company shall adopt necessary measures and practices as permitted by law and regulatory guidelines to address any conflict situation as and when they arise.

Confirmations

None of our Subsidiaries are listed on any stock exchange in India or abroad.

Further, neither have any of the securities of our Subsidiaries been refused listing by any stock exchange in India or abroad, nor have any of our Subsidiaries failed to meet the listing requirements of any stock exchange in India or abroad, to the extent applicable.

OUR MANAGEMENT

Board of Directors

The Articles of Association of our Company require that our Board shall comprise not less than three Directors and not more than fifteen Directors, provided that our Shareholders may appoint more than fifteen Directors after passing a special resolution in a general meeting.

As on the date of filing this Draft Red Herring Prospectus, we have six Directors on our Board, of whom three are Independent Directors and one is a woman Director. The Chairman of our Board, Raghunandana Tangirala, is an Executive Director. Our Company is in compliance with the corporate governance norms prescribed under the SEBI Listing Regulations and the Companies Act, 2013, in relation to the composition of our Board and constitution of committees thereof.

The following table sets forth the details of our Board as on the date of this Draft Red Herring Prospectus:

Name, designation, date of birth, address, occupation, current term, date of appointment and DIN	Age (years)	Other directorships
Raghunandana Tangirala *Designation*: Chairman and Managing Director *Date of birth*: November 3, 1960 *Address*: 7, D' Silva Road, Mylapore, Chennai 600 004, Tamil Nadu, India *Occupation*: Business - Service *Current term*: For a period of three years, from January 1, 2021, to December 31, 2023 *Period of directorship*: Since November 13, 2003 *DIN*: 00628914	62	*Indian Companies:* 1. Avon Solutions & Logistics Private Limited 2. Denave India Private Limited 3. Fusion Foods and Catering Private Limited 4. Integrated Technical Staffing and Solutions Private Limited 5. Matrix Business Services India Private Limited 6. Stanworth Management Private Limited 7. Tangi Facility Solutions Private Limited 8. Tangirala Infrastructure Development Private Limited 9. Tangy Supplies & Solutions Private Limited 10. Updater Services (UDS) Foundation 11. Wynwy Technologies Private Limited *Foreign Companies:* Nil
Amitabh Jaipuria *Designation:* Additional Director (Executive Director) *Date of birth:* May 15, 1966 *Address*: Raheja Imperia 1, B Wing – 4302/03, Shankar Rao, Naram Path, Lower Parel West, Mumbai 400 013, Maharashtra, India *Occupation*: Service *Current term*: For a period of 1 year from March 4, 2023, to March 3, 2024 *Period of directorship*: Since March 4, 2023 *DIN*: 01864871	56	*Indian Companies* Nil *Foreign Companies* Nil

Name, designation, date of birth, address, occupation, current term, date of appointment and DIN	Age (years)	Other directorships
Pondicherry Chidambaram Balasubramanian *Designation:* Executive Director (Whole time Director) *Date of birth:* December 22, 1965 *Address:* New no. 101, Old no. 42, Medavakkam Tank Road, Kilpauk, Chennai 600 010, Tamil Nadu, India *Occupation*: Professional *Current term*: For a period of 4 years from September 13, 2022, to September 12, 2026 *Period of directorship:* Since September 13, 2022 *DIN:* 00584548	57	*Indian Companies* 1. Denave India Private Limited 2. Matrix Business Services India Private Limited 3. Washroom Hygiene Concepts Private Limited *Foreign Companies* Nil
Amit Choudhary *Designation:* Independent Director *Date of birth:* October 12, 1977 *Address:* 171/1C, Kalpataru Estate, Jogeshwari Vikhroli Link Road, Near Majas bus depot, Andheri East, Mumbai 400 093, Maharashtra, India *Occupation:* Business *Current term:* For a period of five years from September 13, 2022 to September 12, 2027 *Period of directorship:* Since April 25, 2020 *DIN:* 07415690	45	*Indian Companies* 1. Athena BPO Private Limited 2. Dawaa Dost Retail Private Limited 3. Davadost Pharma Private Limited 4. Davadost Retail Private Limited *Foreign Companies* Nil
Sunil Rewachand Chandiramani *Designation:* Independent Director *Date of birth:* December 24, 1968 *Address:* 163-A, Sky Scraper Building, 74 Bhulabhai Desai Road, Cumbala Hill, Mumbai 400 026, Maharashtra, India *Occupation:* Professional *Current term:* For a period of 5 consecutive years from September 13, 2022 to September 12, 2027 *Period of directorship:* Since June 20, 2017 *DIN:* 00524035	54	*Indian Companies* 1. Denave India Private Limited 2. Davadost Pharma Private Limited 3. Ganesh Grains Limited 4. IKF Finance Limited 5. Rupa & Company Limited 6. Sapphire Foods India Limited 7. Vigyanlabs Innovation Private Limited *Foreign Companies* Nil

Name, designation, date of birth, address, occupation, current term, date of appointment and DIN	Age (years)	Other directorships
Sangeeta Sumesh *Designation:* Independent Director *Date of birth:* October 25, 1974 *Address:* 3B, Sujatha Apartments, 103/54, 4th Street Abiramapuram, Chennai 600 018, Tamil Nadu, India *Occupation:* Professional *Current term:* For a period of five years, from September 13, 2022, to September 12, 2027 *Period of directorship:* Since September 13, 2022 *DIN:* 07080379	48	*Indian Companies* 1. Athena BPO Private Limited 2. IFB Industries Limited 3. Matrix Business Services India Private Limited *Foreign Companies* Nil

Brief profiles of our Directors

Raghunandana Tangirala is the Promoter, Chairman of the Board and Managing Director on the Board of our Company. He is one of the founding directors of our Company and has been on our board since the incorporation of our Company. In our Company, he focuses primarily on corporate governance, organizational development, capital allocation and strategic growth of the Company. He holds a bachelor's degree in commerce from Faculty of Commerce, University of Madras. He has approximately 30 years of experience in the service sector as an entrepreneur.

Amitabh Jaipuria is an Additional Director (Executive Director) on the Board of our Company. He holds a bachelor's degree in science from University of Bombay and a post-graduate diploma in management from XLRI, Jamshedpur. In our Company, he focuses on corporate affairs, investor relations and key strategic initiatives. He was previously associated with Ziqitza Healthcare Limited as the managing director & CEO, First Meridian Business Services Pvt. Ltd. as the president-general staffing/managed & allied services, Quess Corp Limited as president & chief executive officer – global services, Reliance Jio Infocomm Limited as the head – fixed business, AGS Transact Technologies Limited as the chief executive officer in the banking department, Monsanto India Limited as the managing director, PepsiCo India Holdings Pvt. Ltd. as the market unit general manager – west market unit, Reliance Infocomm, GE Lighting India (P) Ltd and Blow Past Limited.

Pondicherry Chidambaram Balasubramanian is an Executive Director (Whole-Time Director) on the Board of our Company. He holds a bachelor's degree in commerce from St. Joseph's College, Bharathidasan University. He is a member of Institute of Chartered Accountants of India. In our Company, he focuses on group integration and growth initiatives. He is one of the founding directors and previously served as a managing director of Matrix Business Services India Private Limited and as a partner with Gopinath & Sharma, Chartered Accountants.

Amit Choudhary is an Independent Director on the Board of our Company. He holds a bachelor's degree in commerce from the University of Calcutta. He has passed the final examination held by the Institute of Chartered Accountants of India and was awarded a proficiency certificate. He was previously associated with Procter & Gamble as the group manager – finance & accounting.

Sunil Rewachand Chandiramani is an Independent Director on the Board of our Company. He holds a bachelor's degree in commerce from Sydenham College of Commerce and Economics, University of Bombay, and a honours diploma in systems management from National Institute of Information Technology. He is an associate member of Institute of Chartered Accountants of India. He has previously served as a partner of Ernst & Young India, and a partner of S. R. Batliboi & Co LLP.

Sangeeta Sumesh is an Independent Director on the Board of our Company. She holds a bachelor's degree in commerce from University of Madras. She is an associate member of the Institute of Chartered Accountants of India and has passed the final examination held by the Institute of Cost and Work Accountants of India. She has completed the course on 'Maximising your leadership potential – India' conducted by Harvard Business School, Boston, Massachusetts. Further, the International Coach Federation has conferred the designation of 'Professional Certified Coach' on her. She served as an executive director and a chief financial officer with Dun & Bradstreet Technologies Private Limited. She was previously associated with Lovelock & Lewes as articled clerk, Lebara Foundation, Thales Software India Private

Ltd as head – finance & accounts, Tupperware India Pvt Ltd as distributor management advisor (southern region), Alstom Limited as an internal auditor and Price Waterhouse Coopers as manager in entrepreneurial advisory division.

Details of directorship in companies suspended or delisted

None of our Directors is or was a director of any listed company, whose shares have been or were suspended from being traded on any stock exchanges, in the last five years prior to the date of this Draft Red Herring Prospectus, during the term of their directorship in such company.

Further, none of our Directors is, or was, a director of any listed company, which has been or was delisted from any stock exchange during the term of their directorship in such company.

Relationships between our Directors, Key Managerial Personnel or Senior Management

None of our Directors are related to each other or to any of our Key Managerial Personnel or Senior Management.

Arrangement or understanding with major Shareholders, customers, suppliers or others

None of our Directors have been appointed on our Board pursuant to any arrangement with our major shareholders, customers, suppliers or others.

Service contracts with Directors

Our Company has not entered into any service contracts with our Directors which provide for benefits upon the termination of their employment.

Borrowing Powers

In accordance with our Articles of Association and the applicable provisions of the Companies Act, and pursuant to a resolution of our Shareholders dated December 3, 2022, our Board is authorised to borrow up to an amount of ₹ 3,500 million, in excess of the aggregate of the paid up capital and free reserves of our Company and to create charge/provide security for the sum borrowed on the assets of our Company.

Terms of appointment of our Directors

a) Terms of Employment of our Executive Directors

(i) Raghunandana Tangirala, Managing Director

Raghunandana Tangirala was re-appointed as our Managing Director pursuant to the resolution passed by our Board on December 23, 2020, for a period of three years with effect from January 1, 2021. He receives remuneration from our Company in accordance with the Board resolution dated December 23, 2020, and the agreement dated December 23, 2020 entered into by our Company with him. The details of the remuneration that Raghunandana Tangirala is entitled to, and the other terms of his employment are enumerated below:

(*₹ in million*)

Sr. No.	Category	Remuneration
1	Salary	19.20 (per annum)

(ii) Amitabh Jaipuria, Additional Director (Executive Director)

Amitabh Jaipuria was appointed as the Additional Director (Executive Director) of our Company pursuant to the resolution passed by our Board on March 4, 2023, for a period of one year with effect from March 4, 2023. He receives remuneration from our Company in accordance with the Board resolution dated March 4, 2023, and the agreement dated March 4, 2023 entered into by our Company with him. The details of the remuneration that he is entitled to, and the other terms of his employment are enumerated below:

(*₹ in million*)

Sr. No.	Category	Remuneration
1	Remuneration inclusive of all perquisites and contribution to the provident fund, superannuation, annuity fund, if any.	1.50 (per month)

Sr. No.	Category	Remuneration
2	Variable salary	10.00* (per annum)

*pro-rated for the number of months worked

(iii) Pondicherry Chidambaram Balasubramanian, Executive Director (Whole-Time Director)

Pondicherry Chidambaram Balasubramanian was appointed as the Executive Director (Whole-Time Director) of our Company pursuant to the resolution passed by our Board on September 13, 2022, and our Shareholders on December 31, 2022, for a period of four years with effect from September 13, 2022. He receives remuneration from our Company in accordance with the Board resolution dated September 13, 2022, and the resolution of our Shareholders approved in their general meeting held on December 31, 2022, and the agreement dated July 30, 2022 entered into by our Company with him. The details of the remuneration that he is entitled to, and the other terms of his employment are enumerated below:

(*₹ in million*)

Sr. No.	Category	Remuneration
1	Salary	4.72 (per annum)
2	Perquisites and other benefits	4.17 (per annum)

b) Sitting fees and commission to Non-Executive Directors and Independent Directors

Pursuant to a resolution of the Board dated September 13, 2022, our Independent Directors are entitled to receive sitting fees of ₹ 0.10 million for attending each meeting of our Board and the committees constituted of the Board. Further, our Independent Directors may be paid commission and reimbursement of expenses as permitted under the Companies Act and the SEBI Listing Regulations.

Further, pursuant to a resolution of the shareholders dated December 3, 2022, Sunil Rewachand Chandiramani is entitled to receive a commission of 1% of the net profits of the Company apart from the sitting fees as may be decided by the Board for each Board and committee meeting of the Company.

Except as disclosed above, our Company has not entered into any contract appointing or fixing the remuneration of a Director, Whole-time Director, or manager in the two years preceding the date of this Draft Red Herring Prospectus.

Payments or benefits to our Directors

a) **Executive Directors**

The table below sets forth the details of the remuneration (including sitting fees, salaries, commission and perquisites, professional fee, consultancy fee, if any) paid to our Executive Directors for the Financial Year ended March 31, 2022:

Sr. No.	Name of the Executive Director	Remuneration for the Financial Year ended March 31, 2022 (in ₹ million)
1.	Raghunandana Tangirala	19.20
2.	Amitabh Jaipuria	Nil*
3.	Pondicherry Chidambaram Balasubramanian	Nil**

* *Amitabh Jaipuria were appointed in the Financial Year ended March 31, 2023, and he did not receive any remuneration as an Executive Director in the Financial Year ended March 31, 2022. However, he was paid remuneration of ₹ 1.37 million as a chief executive officer.*
*** Pondicherry Chidambaram Balasubramanian was appointed in the Financial Year ended March 31, 2023, and he did not receive any remuneration as an Executive Director in the Financial Year ended March 31, 2022. However, he was paid remuneration of ₹ 10.06 million by Matrix Business Service India Private Limited for Fiscal March 22, which is one of the subsidiaries of the Company.*

b) **Non-Executive Directors**

The table below sets forth the details of the remuneration (including sitting fees and commission) paid to our Non-Executive Directors or our Independent Directors for the Financial Year ended March 31, 2022:

Sr. No.	Name of the Director	Designation of Director	Remuneration for the Financial Year ended March 31, 2022 (in ₹ million)
1.	Amit Chaudhary	Independent Director	1.00
2.	Sunil Rewachand Chandiramani	Independent Director	1.10
3.	Sangeeta Sumesh	Independent Director	Nil*

* *Since Sangeetha Suresh was appointed in the Financial Year ended March 31, 2023, she did not receive any remuneration in the Financial Year ended March 31, 2022.*

Remuneration paid or payable to our Directors by our Subsidiaries or Associates:

No remuneration has been paid to our Directors by any of our Subsidiaries in the Financial Year ended March 31, 2022.

Contingent and deferred compensation payable to the Directors

As on the date of this Draft Red Herring Prospectus, there is no contingent or deferred compensation payable to the Directors, which does not form part of their remuneration.

Bonus or profit-sharing plan for our Directors

Except as set out in "*– Terms of Employment of our Executive Directors" and "– Sitting fees and commission to Non-Executive Directors and Independent Directors"* on pages 257 and 258, respectively, our Company does not have any performance linked bonus or a profit-sharing plan in which our Directors have participated.

Shareholding of Directors in our Company

Our Articles of Association do not require our Directors to hold qualification shares.

The table below sets forth details of Equity Shares held by the Directors as on date of this Draft Red Herring Prospectus:

Name	No. of Equity Shares	Percentage of the pre-Offer paid up share capital (%)	Percentage of the post-Offer paid up share capital (%)*
Raghunandana Tangirala	15,587,702	29.44	[•]
Pondicherry Chidambaram Balasubramanian	54,920	0.10	[•]

***** *Subject to finalisation of Basis of Allotment.*

Interest of Directors

All of our Directors may be deemed to be interested to the extent of fees and commission, if any, payable to them for attending meetings of the Board or a committee thereof, as well as to the extent of other remuneration (including ESOP Schemes), commission and reimbursement of expenses, if any, payable to them by our Company. Raghunandana Tangirala, Amitabh Jaipuria and Pondicherry Chidambaram Balasubramanian may be deemed to be interested to the extent of remuneration paid to them for services rendered as officers of our Company. For further details, see "*Related Party Transactions*" on page 398.

Our Directors may also be regarded as interested to the extent of the Equity Shares, if any, held by them and to the extent of any dividend payable to them and other distributions in respect of these Equity Shares. For further details regarding the shareholding of our Directors, see "*– Shareholding of Directors in our Company*" on page 259.

Certain of our directors are on the board of directors of our Subsidiary. In consideration for these services, they may be paid managerial remuneration in accordance with the provisions of applicable law.

Further, certain of our Directors may be directors on the boards, or may be shareholders, kartas, trustees, proprietors, members or partners, of our Subsidiaries and entities with which our Company has had related party transactions and may be deemed to be interested to the extent of the payments made by our Company, if any, to these entities. For further details, see "*Related Party Transactions*" on page 398."

There is no material existing or anticipated transaction whereby our Directors will receive any portion of the proceeds from the Offer. However, our Managing Director, Raghunandana Tangirala is a promoter of Tangi Facility Solutions

Private Limited, which will receive a portion of the proceeds from the Offer to the extent of its Offered Shares.

As on the date of this Draft Red Herring Prospectus, except for Raghunandana Tangirala, none of our other Directors are interested in the promotion of our Company. For further details, see "*Our Promoters and Promoter Group*" on page 271.

Our Directors do not have any interest in any property acquired or proposed to be acquired by our Company.

Our Directors do not have any interest in any transaction by our Company for acquisition of land, construction of building or supply of machinery during the three years preceding the date of this Draft Red Herring Prospectus:

Other confirmations

No consideration, either in cash or shares or in any other form have been paid or agreed to be paid to any of our Directors or to the firms, trusts or companies in which they have an interest in, by any person, either to induce any of our Directors to become or to help any of them qualify as a Director, or otherwise for services rendered by them or by the firm, trust or company in which they are interested, in connection with the promotion or formation of our Company.

Changes to our Board in the last three years

Except as mentioned below, there have been no changes in our Directors in the last three years:

Name	Designation (at the time of appointment / change in designation / cessation)	Date of appointment / change in designation / cessation	Reason
Shankar Gopalakrishnan	Nominee Director	April 25, 2020	Change in Designation from Independent Director to Nominee Director
Amit Chaudhary	Independent Director	April 25, 2020	Appointment as an Independent Director
Raghunandana Tangirala	Managing Director	January 1, 2021	Re-appointment as a Managing Director
Shanthi Tangirala	Director	June 23, 2022	Cessation due to resignation under section 168 of Companies Act, 2013
Rammohan Tangirala	Director	June 27, 2022	Cessation due to resignation under section 168 of Companies Act, 2013
Pondicherry Chidambaram Balasubramanian	Executive Director	September 13, 2022	Appointment as an Executive Director (Whole-time Director)
Sangeeta Sumesh	Independent Director	September 13, 2022	Appointment as an Independent Director
Sunil Chandiramani	Independent Director	September 13, 2022	Re-Appointment as an Independent Director
Amit Chaudhary	Independent Director	September 13, 2022	Re-Appointment as an Independent Director
Amitabh Jaipuria	Additional Director (Executive Director)	March 4, 2023	Appointment as an Additional Director (Executive Director)
Vijay Dhanuka	Nominee Director	March 21, 2023	Cessation due to resignation under Section 168 of the Companies Act
Shankar Gopalakrishnan	Nominee Director	March 21, 2023	Cessation due to resignation under Section 168 of the Companies Act

Note: *This table does not include details of regularisations of additional Directors.*

Corporate Governance

The provisions of the Companies Act, 2013 along with the SEBI Listing Regulations, with respect to corporate governance, will be applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchanges. Our Company is in compliance with the requirements of the applicable requirements for corporate governance in accordance with the SEBI Listing Regulations, and the Companies Act, 2013, including those pertaining to the constitution of the Board and committees thereof.

As on the date of filing this Draft Red Herring Prospectus, we have six Directors on our Board, of whom three are Independent Directors and one is a woman Director.

Committees of our Board

In terms of the SEBI Listing Regulations and the provisions of the Companies Act, 2013, our Company has constituted the following Board committees:

(a) Audit Committee
(b) Nomination and Remuneration Committee
(c) Stakeholders' Relationship Committee
(d) Corporate Social Responsibility Committee
(e) Risk Management Committee

(a) Audit Committee

The Audit Committee was constituted by a resolution of our Board dated May 5, 2022. It was reconstituted by a resolution of our Board dated March 21, 2023. It is in compliance with Section 177 of the Companies Act and Regulation 18 of the SEBI Listing Regulations. The current constitution of the Audit committee is as follows:

Name of Director	Position in the Committee	Designation
Sunil Rewachand Chandiramani	Chairperson	Independent Director
Amit Choudhary	Member	Independent Director
Raghunandana Tangirala	Member	Chairman and Managing Director

The scope and function of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations. Its terms of reference are as follows:

A. **Powers of Audit Committee**

The Audit Committee shall have powers, including the following:

(1) to investigate any activity within its terms of reference;
(2) to seek information from any employee;
(3) to obtain outside legal or other professional advice;
(4) to secure attendance of outsiders with relevant expertise, if it considers necessary; and
(5) such other powers as may be prescribed under the Companies Act and SEBI Listing Regulations.

B. Role of Audit Committee

The role of the Audit Committee shall include the following:

(1) oversight of financial reporting process and the disclosure of financial information relating to Updater Services Limited (the "**Company**") to ensure that the financial statements are correct, sufficient and credible

(2) recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee

(3) approval of payment to statutory auditors for any other services rendered by the statutory auditors

(4) formulation of a policy on related party transactions, which shall include materiality of related party transactions

(5) reviewing, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given

(6) examining and reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

a. Matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013

b. Changes, if any, in accounting policies and practices and reasons for the same

c. Major accounting entries involving estimates based on the exercise of judgment by management

d. Significant adjustments made in the financial statements arising out of audit findings

e. Compliance with listing and other legal requirements relating to financial statements

f. Disclosure of any related party transactions; and

g. Modified opinion(s) in the draft audit report.

(7) reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval

(8) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the Offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board of directors of the Company (the "**Board**" or "**Board of Directors**") to take up steps in this matter

(9) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process

(10) approval of any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed

Explanation: *The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.*

(11) scrutiny of inter-corporate loans and investments

(12) valuation of undertakings or assets of the Company, wherever it is necessary

(13) evaluation of internal financial controls and risk management systems

(14) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems

(15) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit

(16) discussion with internal auditors of any significant findings and follow up there on

(17) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board

(18) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern

(19) recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services

(20) looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors

(21) reviewing the functioning of the whistle blower mechanism

(22) monitoring the end use of funds raised through public offers and related matters

(23) overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases

(24) approval of appointment of chief financial officer (i.e., the whole-time finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate

(25) reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding ₹ 1,000,000,000 or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision; and

(26) carrying out any other functions required to be carried out by the Audit Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

Further the Audit Committee shall mandatorily review the following information:

a) Management discussion and analysis of financial condition and results of operations;
b) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
d) Internal audit reports relating to internal control weaknesses;
e) The appointment, removal and terms of remuneration of the chief internal auditor; and
f) Statement of deviations in terms of the SEBI Listing Regulations:
    a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) where the Equity Shares are proposed to be listed in terms of the SEBI Listing Regulations; and
    b. annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of the SEBI Listing Regulations.
g) review the financial statements, in particular, the investments made by any unlisted subsidiary.

The Company Secretary of our Company shall serve as the secretary of the Audit Committee.

The Audit Committee is required to meet at least four times in a year under Regulation 18(2)(a) of the SEBI Listing Regulations. The quorum for a meeting of the Audit Committee shall be two members or one third of the members of the audit committee, whichever is greater, with at least two independent directors.

(b) Nomination and Remuneration Committee

The Nomination and Remuneration committee was constituted by a resolution of our Board dated May 5, 2022. It was reconstituted by a resolution of our Board dated March 21, 2023. The Nomination and Remuneration Committee is in compliance with Section 178 of the Companies Act and Regulation 19 of the SEBI Listing Regulations. The current constitution of the Nomination and Remuneration committee is as follows:

Name of Director	Position in the Committee	Designation
Amit Choudhary	Chairperson	Independent Director
Sunil Rewachand Chandiramani	Member	Independent Director
Raghunandana Tangirala	Member	Chairman and Managing Director
Sangeeta Sumesh	Member	Independent Director

The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013, read with Regulation 19 of the SEBI Listing Regulations. Its terms of reference are as follows:

(1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors of the Company (the "**Board**" or "**Board of Directors**") a policy

relating to the remuneration of the directors, key managerial personnel and other employees ("**Remuneration Policy**").

The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

(i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully

(ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Company and its goals.

(2) Formulation of criteria for evaluation of independent directors and the Board

(3) Devising a policy on Board diversity

(4) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and carrying out evaluation of every director's performance (including independent director)

(5) Analysing, monitoring and reviewing various human resource and compensation matters

(6) Deciding whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors

(7) Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors

(8) Recommending to the board, all remuneration, in whatever form, payable to senior management and other staff, as deemed necessary

(9) Carrying out any other functions required to be carried out by the Nomination and Remuneration Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time

(10) Reviewing and approving the Company's compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws

(11) Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, if applicable

(12) Frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:

(a) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and

(b) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, the Company and its employees, as applicable.

(13) Perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 to the extent notified and effective, as amended or by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended or by any other applicable law or regulatory authority.

The Nomination and Remuneration Committee is required to meet at least once in a year under Regulation 19(3A) of the SEBI Listing Regulations.

The quorum for a meeting of the Nomination and Remuneration Committee shall be two members or one third of the members of the committee, whichever is greater, including at least one independent director.

(c) Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee was constituted by a resolution of our Board dated March 21, 2023. The Stakeholders' Relationship Committee is in compliance with Section 178 of the Companies Act and Regulation 20 of the SEBI Listing Regulations. The current constitution of the Stakeholders' Relationship Committee is as follows:

Name of Director	Position in the Committee	Designation
Sangeeta Sumesh	Chairperson	Independent Director
Raghunandana Tangirala	Member	Chairman and Managing Director
Pondicherry Chidambaram Balasubramanian	Member	Executive Director (Whole time Director)

The scope and function of the Stakeholders' Relationship Committee is in accordance with Regulation 20 of the SEBI Listing Regulations. Its terms of reference are as follows:

(1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer of shares or debentures, including non-receipt of share or debenture certificates and review of cases for refusal of transfer / transmission of shares and debentures, non-receipt of annual report or balance sheet, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc. and assisting with quarterly reporting of such complaints

(2) review of measures taken for effective exercise of voting rights by shareholders

(3) Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities

(4) Giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time

(5) review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the registrar and share transfer agent of the Company and to recommend measures for overall improvement in the quality of investor services; and

(6) review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

The Stakeholders' Relationship Committee is required to meet at least once in a year under Regulation 20(3A) of the SEBI Listing Regulations.

(d) Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee was constituted by a resolution of our Board dated April 1, 2015. It was last reconstituted by a resolution of our Board dated March 21, 2023. The current constitution of the Corporate Social Responsibility Committee is as follows:

Name of Director	Position in the Committee	Designation
Pondicherry Chidambaram Balasubramanian	Chairperson	Executive Director (Whole Time Director)
Sangeeta Sumesh	Member	Independent Director
Raghunandana Tangirala	Member	Chairman and Managing Director

The scope and function of the Corporate Social Responsibility Committee is in accordance with Section 135 of the Companies Act, 2013. Its terms of reference are as follows:

(a) formulate and recommend to the Board, a "Corporate Social Responsibility Policy" which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and the rules made thereunder, as amended, monitor the implementation of the same from time to time, and make any revisions therein as and when decided by the Board

(b) identify corporate social responsibility policy partners and corporate social responsibility policy programmes

(c) review and recommend the amount of expenditure to be incurred on the activities referred to in clause (a) and the distribution of the same to various corporate social responsibility programs undertaken by the Company

(d) delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities

(e) review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes

(f) any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board, from time to time, and

(g) exercise such other powers as may be conferred upon the Corporate Social Responsibility Committee in terms of the provisions of Section 135 of the Companies Act.

(e) Risk Management Committee

The Risk Management Committee was constituted by a resolution of our Board dated March 21, 2023. The Risk Management Committee is in compliance with Regulation 21 of the SEBI Listing Regulations. The current constitution of the Risk Management Committee is as follows:

Name of Director	Position in the Committee	Designation
Sunil Rewachand Chandiramani	Chairperson	Independent Director
Pondicherry Chidambaram Balasubramanian	Member	Executive Director (Whole time Director)
Amitabh Jaipuria	Member	Additional Director (Executive Director)
Saravanan CR	Member	Director – Business Operations
Balaji Swaminathan	Member	Chief Financial Officer

The scope and function of the Risk Management Committee is in accordance with Regulation 21 of the SEBI Listing Regulations. The Risk Management Committee shall be responsible for, among other things, the following:

(1) To formulate a detailed risk management policy which shall include:

(a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Risk Management Committee;

(b) Measures for risk mitigation including systems and processes for internal control of identified risks; and

(c) Business continuity plan.

(2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

(3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

(4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity, and recommend for any amendment or modification thereof, as necessary;

(5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

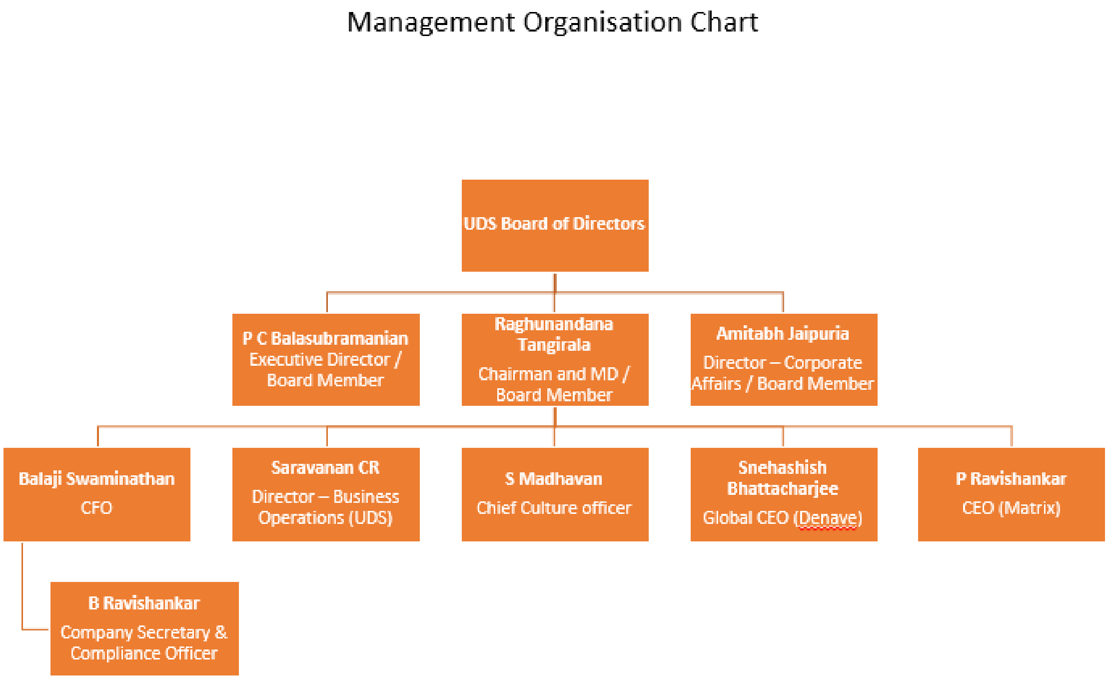
(6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;

(7) To implement and monitor policies and/or processes for ensuring cyber security;

(8) Any other similar or other functions as may be laid down by Board from time to time and/or as may be required under applicable law, as and when amended from time to time, including the SEBI Listing Regulations.

The Risk Management Committee is required to meet at least twice in a year under Regulation 21(3A) of the SEBI Listing Regulations.

Management organization chart



Key Managerial Personnel and Senior Management

Key Managerial Personnel

In addition to the Executive Directors of our Company namely, Raghunandana Tangirala, Amitabh Jaipuria and Pondicherry Chidambaram Balasubramanian, whose details are provided in "*– Brief profiles of our Directors*" on page 256, the details of our other Key Managerial Personnel, as on the date of this Draft Red Herring Prospectus, are as set forth below:

Balaji Swaminathan is the group Chief Financial Officer of our Company. He has been associated with our Company since December 11, 2019. He handles finance & accounts and compliances of our Company. He holds a bachelor's degree in commerce from University of Madras. He is an associate member of the Institute of Chartered Accountants in India. Before his association with our Company, he was associated with the Adecco Group (as a country finance manager), Randstand India Private Limited (as a senior vice president – Finance SSC), Ernst & Young LLP (as an associate director), BSR & Co. (as a manager), the World Bank (as an accounting analyst), GE Countrywide Consumer Financial Services Limited and the Price Waterhouse (as an assistant manager). The remuneration paid to him in the Financial Year ended March 31, 2022 was ₹ 6.31 million.

Ravishankar B is the Company Secretary of our Company. He has been associated with our Company since March 6, 2023. In our Company, he is responsible for secretarial compliances. He holds a bachelor degree in commerce from the University of Madras. He is an associate member of the Institute of Chartered Accountants of India and an associate member of the Institute of Company Secretaries in India. Before his association with our Company, he was associated with McDowell & Company Limited, Maya Appliances Private Limited. (as a general manager for finance), Tamil Nadu Newsprint and Papers Limited (as a company secretary cum assistant general manager), PKF Sridhar &

Santhanam LLP (as a senior associate consultant), Samudra Shoes Limited (as a company secretary cum manager accounts), Shriram EPC Ltd (as a general manager for finance and accountants). No remuneration was paid to him in the Financial Year ended March 31, 2022 as he was appointed in the Financial Year ended March 31, 2023.

Senior Management

In addition to the Executive Directors of our Company and the Key Managerial Personnel, whose details are provided in "*– Brief profiles of our Directors*" and "*-Key Managerial Personnel*" on pages 256 and 267 respectively, the details of our Senior Management, as on the date of this Draft Red Herring Prospectus, are as set forth below:

C. R. Saravanan is the director of business operations of our Company. He has been associated with our Company since October 3, 2016. In our Company, he handles the pan India business operations. He holds a bachelor's degree in business administration from Annamalai University and professional certificate in management from Institute of Financial Management and Research. Before his association with our Company, he was associated with AstraZeneca (as the head – facility management), Fidelity Business Services India Private Limited (as the manager – facilities), Carborundum Universal Ltd, CB Richard Ellis South Asia Pvt. Ltd. (as the assistant manager – asset services), Cori Engineers Private Limited (as the sales officer) and Roverco Apparel Company Pvt. Ltd (as the manager maintenance). The remuneration paid to him in the Financial Year ended March 31, 2022 was ₹ 4.31 million.

P. Ravishankar is the chief executive officer of our Subsidiary, Matrix Business Services India Private Limited. He has been associated with our Subsidiary since August 1, 2022. In Matrix Business Services India Private Limited, he handles the pan India business operations. He is an associate member of the Institutes of Chartered Accountants of India. and an associate member of the Institute of Company Secretaries in India. He holds a bachelor's degree in commerce from University of Madras. Before his association with our Company, he was associated with Infosys BPO Ltd (as a business manager - operations), Dataline and Research Technologies India Ltd (as a financial analyst), Spartan Investments Limited (as an assistant manager - finance), Sundaram Asset Management Co. Ltd. (as a senior analyst) and Cazenove Securities Limited (as a research analyst). No remuneration was paid to him in the Financial Year ended March 31, 2022 as he was appointed in the Financial Year ended March 31, 2023.

Snehashish Bhattacharjee is the global chief executive officer of our Subsidiary, Denave India Private Limited. He has been associated with our Denave India since 2000. In Denave India, he handles all executive functions in relation to the business. He holds a bachelors of science degree in maths from Hindu College, University of Delhi and a degree in masters of computer application from the University of Hyderabad. He has completed the 'Leading for Innovation Program' conducted by the Samuel Curtis Johnson Graduate School of Management, Cornell University. He has over 20 years of experience in the sales sector. He was awarded the 'Marketing person of the year' by WIPRO, the 'Influential catalyst of change' at influential leaders of new India, 2021, the 'Entrepreneur of the year in service business – BPO' at entrepreneur awards 2018 and the 'Business leader of the year 2022' at the business leaders awards. The remuneration paid to him by our Subsidiary, Denave India Private Limited in the Financial Year ended March 31, 2022 was ₹ 7.46 million.

Madhavan Santhanam is the chief culture officer of our Company. He has been associated with our Company since February, 2008. In our Company, his role is to manage organisational culture. He holds a bachelors of commerce degree from the Faculty of Commerce, Madras University. He holds a 'Business English Certificate 2' from the University of Cambridge. Further, he was certified as a solution consultant by the Global SAP Consultant Education Program. Before his association with our Company, he was associated with Air Canada, Bharat Petroleum Corporation Limited, Cosmopolitan Club (as a general manager), Office Tiger Database Systems India Private Limited (as an assistant vice president – human resources), and Vignaraj Infotech Pvt. Ltd. (Senior Management Consultant). The remuneration paid to him in the Financial Year ended March 31, 2022 was ₹ 4.90 million.

Relationships among Key Managerial Personnel and Senior Management, and with Directors

None of our Key Managerial Personnel and Senior Management are related to each other or to the Directors of our Company.

Arrangements or understanding with major Shareholders, customers, suppliers or others

None of our Key Managerial Personnel and Senior Management have been selected pursuant to any arrangement or understanding with any major Shareholders, customers or suppliers of our Company, or others.

Changes in the Key Managerial Personnel and Senior Management in last three years

Except as mentioned below, and as specified in "– *Changes to our Board in the last three years*" on page 260, there have been no changes in the Key Managerial Personnel and Senior Management in the last three years:

Name	Date of change	Reason
L. B. Jayaram	December 31, 2020	Resignation of the company secretary
L. B. Jayaram	June 29, 2021	Appointment of the company secretary
Amitabh Jaipuria	March 1, 2022	Appointment of the chief executive officer
L. B. Jayaram	March 5, 2023	Resignation of the company secretary
Ravishankar B	March 6, 2023	Appointment of the company secretary
Amitabh Jaipuria	March 4, 2023	Resignation of the chief executive officer

The rate of attrition of our Key Managerial Personnel and Senior Management is not high in comparison to the industry in which we operate.

Status of Key Managerial Personnel and Senior Management

Except for P. Ravishankar who is permanent employee of our Subsidiary, Matrix Business Services India Private Limited, Snehashish Bhattacharjee who is an employee of our Subsidiary, Denave India Private Limited whose employment can be terminated if Denave India Private Limited has achieved less than 50% of the business plan for the financial year 2022-2023 and Madhavan Santhanam, who is a consultant to the Company, as on the date of this Draft Red Herring Prospectus, all our Key Managerial Personnel and Senior Management are permanent employees of our Company.

Retirement and termination benefits

Our Key Managerial Personnel and Senior Management have not entered into any service contracts with our Company which include termination or retirement benefits. Except statutory benefits upon termination of their employment in our Company or superannuation, none of the Key Managerial Personnel is entitled to any benefit upon termination of employment or superannuation.

Shareholding of the Key Managerial Personnel and Senior Management

Except as disclosed below and under "– *Shareholding of Directors in our Company*" on page 259, none of our other Key Managerial Personnel and Senior Management hold any Equity Shares in our Company.

Name	No. of Equity Shares	Percentage of the pre-Offer paid up share capital (%)	Percentage of the post-Offer paid up share capital (%)*
Balaji Swaminathan	1	Negligible	[•]
C. R. Saravanan	1	Negligible	[•]

Contingent and deferred compensation payable to Key Managerial Personnel and Senior Management

As on the date of this Draft Red Herring Prospectus, there is no contingent or deferred compensation which accrued to our Key Managerial Personnel and our Senior Management for the Financial Year ended March 31, 2022, which does not form part of their remuneration for such period.

Bonus or profit-sharing plan of the Key Managerial Personnel and Senior Management

Except as disclosed below and in *"Our Management - Bonus or profit-sharing plan for our Directors" on page 259*, our Company has no profit-sharing plan in which the Key Managerial Personnel and the Senior Management participate.

(*₹ in million*)

Sr. No.	Category	Remuneration
P. Ravishankar		
1	Variable	4.00 (per annum)*

*pro-rated and paid only if at least 6 months have been worked during the year

Interest of Key Managerial Personnel and Senior Management

Our Key Managerial Personnel and our Senior Management are interested in our Company to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of their service.

Our Key Managerial Personnel and our Senior Management may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of Equity Shares held by them in our Company.

Employee Stock Option Plan

For details about the ESOP Schemes, see *"Capital Structure"* on page 94.

Payment or Benefit to officers of our Company (non-salary related)

No non-salary related amount or benefit has been paid or given within the two years preceding the date of the Draft Red Herring Prospectus or is intended to be paid or given to any officer of the Company, including our Directors, Key Managerial Personnel and Senior Management.

OUR PROMOTERS AND PROMOTER GROUP

The Promoters of our Company are Raghunandana Tangirala and Shanthi Tangirala. As on the date of this Draft Red Herring Prospectus, our Promoters collectively hold 31,825,407 Equity Shares, representing 60.10 % of the pre-Offer issued, subscribed and paid-up Equity Share capital of our Company. For details, please see "*Capital Structure – Details of Shareholding of our Promoters and members of the Promoter Group in the Company – Build-up of the Promoters' shareholding in our Company*" beginning on page 100.

Details of our Promoters

1. **Raghunandana Tangirala**

Raghunandana Tangirala, aged 62 years, is one of our Promoters and is also the Managing Director on our Board. For the complete profile of Raghunandana Tangirala along with details of his date of birth, personal address, educational qualifications, professional experience, position / posts held in the past, directorships held, and business and financial activities, other directorships, other ventures and special achievements, see "*Our Management – Board of Directors*" on page 254.

His permanent account number is AADPT0426C.

As on date of this Draft Red Herring Prospectus, Raghunandana Tangirala holds 15,587,702 Equity Shares, representing 29.44 % of the issued, subscribed and paid-up Equity Share capital of our Company.

2. **Shanthi Tangirala**

Shanthi Tangirala, aged 56 years, is one of our Promoters. Details of her date of birth and address are as follows:

Date of Birth: March 7, 1967
Address: 7, D'Silva Road, Mylapore, Chennai 600 004, Tamil Nadu, India

Shanthi Tangirala has passed the pre degree certificate examination from the University of Calicut. She has previously worked with our Company in her capacity as director of the Company from incorporation till June 2022.

Shanthi Tangirala is a director on the board of the following companies:

i) Tangirala Infrastructure Development Private Limited;
ii) Tangi Facility Solutions Private Limited; and
iii) Updater Services (UDS) Foundation.

Her permanent account number is AAVPS5245C.

As on the date of this Draft Red Herring Prospectus, Shanthi Tangirala holds 16,237,705 Equity Shares, representing 30.66% of the issued, subscribed and paid-up Equity Share capital of our Company.

Except as disclosed in this section and in "*Our Management – Board of Directors*" on page 254, the Promoters are not involved in any other venture.

Our Company confirms that the permanent account number, Aadhaar card number, driving license number, bank account number and the passport number of Raghunandana Tangirala and Shanthi Tangirala, as applicable, shall be submitted to the Stock Exchanges at the time of filing this Draft Red Herring Prospectus.

Change in control of our Company

There has not been any change in the control of our Company in the five years immediately preceding the date of this Draft Red Herring Prospectus.

Interests of Promoters

Our Promoters are interested in our Company to the extent that they are the Promoters of our Company and to the extent of their respective shareholding in our Company, their directorship in our Company and the dividends payable, if any, and any other distributions in respect of their respective shareholding in our Company, or the shareholding of entities in which our Promoters are interested, in our Company. For details of the shareholding of our Promoters in our Company, see "*Capital Structure*" beginning on page 94.

Further, our Promoters are also directors on the boards, or are shareholders, kartas, trustees, proprietors, members or partners of entities with which our Company has had related party transactions and may be deemed to be interested to the extent of the payments made by our Company, if any, to these entities. For further details of interest of our Promoters in our Company, see "*Related Party Transactions*" beginning on page 398.

Raghunandana Tangirala may also be deemed to be interested to the extent of remuneration, benefits, reimbursement of expenses, sitting fees and commission payable to him as a Director on our Board. For further details, see "*Our Management*" beginning on page 254.

None of our Promoters have any interest, whether direct or indirect, in any property acquired by our Company within the preceding three years from the date of this Draft Red Herring Prospectus or proposed to be acquired by it as on the date of this Draft Red Herring Prospectus, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

Our Promoters are not interested as a member in any firm or company which has any interest in our Company. Further, no sum has been paid or agreed to be paid to any of our Promoters or to any firm or company in which any of our Promoters are interested as a member, in cash or shares or otherwise by any person either to induce any of our Promoters to become, or qualify them as a director, or otherwise for services rendered by any of our Promoters or by such firm or company in connection with the promotion or formation of our Company.

Our Promoters do not have any interest in any venture that is involved in any activities similar to those conducted by our Company, except as disclosed below:

1. Best Security Services Private Limited, is also engaged in the business of providing private security agency services, however, private security agency service is a small fraction of our Company's business and only incidental to our integrated facilities management services; and

2. Tangi Facility Solutions Private Limited, is authorised by its memorandum of association to provide facilities management services, however, Tangi Facility Solutions Private Limited is not engaged in the business of providing facilities management services.

Companies or firms with which our Promoters have disassociated in the last three years

None of our Promoters have disassociated themselves from any other company or firm in the three years preceding the date of this Draft Red Herring Prospectus.

Payment or Benefits to Promoters or Promoter Group

Except as disclosed below and as stated in "*Related Party Transactions*" on page 398, there has been no amounts paid or benefits granted by our Company to our Promoters or any of the members of the Promoter Group during the two years preceding the date of this Draft Red Herring Prospectus nor is there any intention to pay any amount or give any benefit to our Promoters or Promoter Group as on the date of this Draft Red Herring Prospectus.

Our Company pays rent to our Promoters, Raghunandana Tangirala and Shanthi Tangirala for use of the premises owned by them, which is also the Registered and Corporate Office of the Company. For the years ended March 31, 2020, March 31, 2021, March 31, 2022 and for the six months period ended September 30, 2022, our Company has paid ₹ 22.87 million, ₹ 21.92 million, ₹ 22.93 million and ₹ 11.47 million respectively, as rent to them.

Material Guarantees

Our Promoters have not given any material guarantee to any third party, in respect of the Equity Shares, as of the date of this Draft Red Herring Prospectus.

Litigation involving our Promoters

Except as disclosed in '*Outstanding Litigation and Other Material Developments*' on page 552, there are no legal and regulatory proceedings involving our Promoters as on the date of this Draft Red Herring Prospectus.

Promoter Group

In addition to our Promoters, the individuals and entities that form a part of the Promoter Group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, are set out below:

Natural persons who are part of the Promoter Group

The natural persons who are part of the Promoter Group, other than our Promoters, are as follows:

Sr. No.	Name of Promoter	Name of Promoter Group Member	Relationship with Promoter
1.	**Raghunandana Tangirala**	Shanthi Tangirala	Spouse
		Tangirala Venkata Lakshmi Narayana Prasad	Brother
		Tangirala Murali Krishna	Brother
		Tangirala Amruthavalli	Sister
		Tangirala Venkata Subbiah Sarma	Son
		Tangirala Anjan Sarma	Son
		Karunakaran Chathukutty Nair	Spouse's father
		Viji R Menon	Spouse's sister
		Raji Sedhumadhavan	Spouse's sister
2.	**Shanthi Tangirala**	Raghunandana Tangirala	Spouse
		Karunakaran Chathukutty Nair	Father
		Viji R Menon	Sister
		Raji Sedhumadhavan	Sister
		Tangirala Venkata Subbiah Sarma	Son
		Tangirala Anjan Sarma	Son
		Tangirala Venkata Lakshmi Narayana Prasad	Spouse's brother
		Tangirala Murali Krishna	Spouse's brother
		Tangirala Amruthavalli	Spouse's sister

Entities forming part of the Promoter Group

The entities forming part of our Promoter Group are as follows:

1. Best Security Services Private Limited;
2. Tangirala Infrastructure Development Private Limited; and
3. Tangi Facility Solutions Private Limited.

OUR GROUP COMPANIES

In accordance with the SEBI ICDR Regulations and the applicable accounting standards, for the purpose of identification of "group companies", our Company has considered (i) such companies (other than the Promoters and the Subsidiaries of our Company) with which there were related party transactions during the period for which financial information is disclosed in the Restated Consolidated Financial Information in this Draft Red Herring Prospectus, as covered under the applicable accounting standards; and (ii) any other companies which are considered material by our Board.

In respect of point (ii) above, our Board, in its meeting held on March 4, 2023, has considered and adopted a policy of materiality for the identification of companies that shall be considered material and disclosed as a 'Group Company' in this Draft Red Herring Prospectus. In terms of such materiality policy, if a company (a) is a member of the Promoter Group; and (b) has entered into one or more transactions with our Company during the last completed full financial year and the most recent period included in the Restated Consolidated Financial Information, which individually or cumulatively in value exceeds 10.00% of the revenue of operations of our Company derived from the Restated Consolidated Financial Information , such company would be disclosed as a group company.

Based on the parameters set out above, the following companies have been identified as Group Companies:

1. Best Security Services Private Limited; and
2. Tangirala Infrastructure Development Private Limited.

In accordance with the SEBI ICDR Regulations, certain financial information in relation to our Group Companies for the previous three financial years, extracted from their respective audited financial statements (as applicable) are available at the respective websites indicated below. Our Company is providing links to such websites solely to comply with the requirements specified under the SEBI ICDR Regulations.

Details of our Group Companies:

The details of our Group Companies are as provided below:

1. **Best Security Services Private Limited**

   The registered office of Best Security Services Private Limited is situated at No. 3, Flat Viswapriya, First Cross Street, Kasturba Nagar, Adyar, Chennai – 600020, Tamil Nadu, India. It is currently engaged in the business of providing security services.

   Best Security Services Private Limited's financial information based on its audited standalone financial statements for the Financial Years ended March 31, 2022, 2021 and 2020 is available on its website at www. Bestsecurity.co/Financial_Information.

2. **Tangirala Infrastructure Development Private Limited**

   The registered office of Tangirala Infrastructure Development Private Limited is situated at No. 2/302-A, UDS Salai, Off Old Mahabalipuram Road, Thoraipakkam, Chennai – 600097, Tamil Nadu, India. It is currently engaged in the business of construction of projects and buildings promotion.

   Tangirala Infrastructure Development Private Limited's financial information based on its audited standalone financial statements for the Financial Years ended March 31, 2022, 2021 and 2020 is available on the website of our Company since Tangirala Infrastructure Development Private Limited does not have a separate website. Such financial information is available at www.Uds.in/Investor-Relations/Group_Company_Financial_Information.

Common pursuits among Group Companies

Except for Best Security Services Private Limited which is also engaged in the business of providing private security agency services, which forms a small part of our Company's business and is only incidental to our integrated facilities management services, there are no common pursuits amongst any of our Group Companies and our Company. Further, since Best Security Services Private Limited also forms part of our Promoter Group, we do not perceive any conflict-of-interest situation with our Company as we operate in different geographies than Best Security Services Private Limited, and we shall adopt necessary procedures and practices as permitted by law to address any instances of conflict of interest, if and when they may arise.

Nature and extent of interest of our Group Companies

a) Interest in the promotion of our Company

None of our Group Companies have any interest in the promotion of our Company.

b) Interest in the property acquired or proposed to be acquired by the Company

None of our Group Companies are interested, directly or indirectly, in the properties acquired by our Company in the preceding three years or proposed to be acquired by our Company.

c) Interest in transactions for acquisition of land, construction of building, or supply of machinery

None of our Group Companies are interested, directly or indirectly, in any transactions for acquisition of land, construction of building, supply of machinery, with our Company.

Related business transactions and their significance on the financial performance of our Company

Except as disclosed in "*Related Party Transactions*" on page 398, there are no related business transactions between the Group Companies and our Company.

Business interest of our Group Companies in our Company

Except in the ordinary course of business and as disclosed in "*Related Party Transactions*" on page 398, none of our Group Companies have any business interest in our Company.

Litigation involving our Group Company

There is no litigation involving our Group Company which may have a material impact on our Company.

Other confirmations

Our Group Companies have not made any public/rights/composite issue in the last three years. Further, neither have any of the securities of our Company or any of our Group Companies been refused listing by any stock exchange in India or abroad, nor has our Company or any of our Group Companies failed to meet the listing requirements of any stock exchange in India or abroad, to the extent applicable.

DIVIDEND POLICY

Our Board of Directors, pursuant to a resolution dated on March 21, 2023, have adopted a dividend distribution policy. The declaration and payment of dividend on our Equity Shares, if any, will be recommended by our Board and approved by our Shareholders, at their discretion, in accordance with provisions of our Articles of Association and applicable law, including the Companies Act (together with applicable rules issued thereunder).

Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant, including among others, our contractual obligations, applicable legal restrictions, results of operations, financial condition, revenues, profits, capital requirements and business prospects. In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under our current or future loan or financing documents. For more information on restrictive covenants under our current loan agreements, see "*Financial Indebtedness*" on page 549. Our Company may pay dividend by cheque, or electronic clearance service, as will be approved by our Board in the future. Our Board may also declare interim dividend from time to time.

Our Company has not declared any dividends on the Equity Shares during the last three Financial Years ended March 31, 2020, March 31, 2021 and March 31, 2022, during the six months period ended September 30, 2022 and for the period from October 1, 2022 to until the date of this Draft Red Herring Prospectus. There is no guarantee that any dividends will be declared or paid in the future. For details in relation to the risk involved, see "*Risk Factors – Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, the performance of our acquired businesses, capital expenditures and restrictive covenants of our financing arrangements*." on page 58.

SECTION VII – FINANCIAL INFORMATION

RESTATED CONSOLIDATED FINANCIAL INFORMATION

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Independent Auditors' Examination Report on the restated consolidated summary statements of assets and liabilities as at September 30, 2022, March 31, 2022, 2021 and 2020, restated consolidated summary statement of profits and losses (including other comprehensive income), restated consolidated summary statement of cash flows and restated consolidated summary statement of changes in equity for each of the six month period ended September 30, 2022 and years ended March 31, 2022, 2021 and 2020, summary statement of significant accounting policies and other explanatory information of Updater Services Limited (collectively, the "Restated Consolidated Summary Statements")

To,
The Board of Directors
Updater Services Limited
2/302A, UDS Salai, OMR
Thoraipakkam Chennai 600 097
Tamilnadu, India

Dear Sirs:

1. We, S.R.Batliboi & Associates LLP, ("we", "us" or "SRBA") have examined the attached Restated Consolidated Summary Statements of **Updater Services Limited** (the "Company") and its subsidiaries (the Company together with its subsidiaries hereinafter referred to as "the Group") annexed to this report and prepared by the Company for the purpose of inclusion in the Draft Red Herring Prospectus ("DRHP") in connection with its proposed Initial Public Offer ("IPO") of equity shares of face value of Rs 10 each and offer for sale by the selling shareholders of the Company ("Proposed IPO"). The Restated Consolidated Summary Statements, which have been approved by the Board of Directors of the Company at their meeting held on March 25, 2023, have been prepared in accordance with the requirements of:

   a) Section 26 of Part I of Chapter III of the Companies Act 2013 (the "Act");
   b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
   c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) (as amended) issued by the Institute of Chartered Accountants of India ("ICAI"), (the "Guidance Note").

Management's Responsibility for the Restated Consolidated Summary Statements

2. The preparation of the Restated Consolidated Summary Statements, which are to be included in the DRHP is the responsibility of the Management of the Company. The Restated Consolidated Summary Statements have been prepared by the Management of the Company on the basis of preparation, as stated in Note 2.1 to the Restated Consolidated Summary Statements. The Management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Summary Statements. The Management is also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note. The Board of Directors of the respective subsidiaries are also responsible for identifying and ensuring that those subsidiaries complies with the Act, ICDR Regulations and the Guidance Note, as may be applicable.

Auditors' Responsibilities

3. We have examined such Restated Consolidated Summary Statements taking into consideration:

   a) the terms of reference and terms of our engagement agreed with you vide our engagement letter dated January 4, 2023, requesting us to carry out the assignment, in connection with the proposed IPO of the Company;
   b) the Guidance Note. The Guidance Note also requires that we comply with ethical requirements of the Code of Ethics Issued by ICAI.
   c) concepts of test checks and materiality to obtain reasonable assurance based on the verification of evidence supporting the Restated Consolidated Summary Statements; and
   d) The requirements of Section 26 of the Act and the ICDR Regulations.

Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act and the ICDR Regulations in connection with the IPO.

Restated Consolidated Summary Statements

4. These Restated Consolidated Summary Statements have been compiled by the management of the Company from:

   a) Audited consolidated financial statements of the Group as at and for the six-month period ended September 30, 2022, prepared in accordance with Indian Accounting Standard 34 "Interim Financial Reporting" as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on March 25, 2023.

   b) Audited consolidated financial statements of the Group as at and for the years ended March 31, 2022, March 31, 2021 and March 31, 2020 which were prepared in accordance with the Indian Accounting Standard (referred to as "IND AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on December 31, 2022, September 24, 2021, and December 31, 2020 respectively.

Auditors Report

5. For the purpose of our examination, we have relied on: Auditors' reports issued by us, dated March 25, 2023, December 31, 2022, September 24, 2021 and December 31, 2020 on the consolidated financial statements of the Group as at and for the six-month period ended September 30, 2022 and as at and for each of the years ended March 31, 2022, March 31, 2021 and March 31, 2020 respectively as referred in Paragraph 4 (a) and (b) above.

6. The auditor's report on the consolidated financial statements of the Group issued by us for the year ended March 31, 2022 was modified and included the following matter:

   Qualified Opinion

   We draw attention to Note 60 to the consolidated financial statements regarding certain instances of irregularities in disbursement/ payment of salary to fictitious and resigned employees in the current as well as earlier years in relation to a subsidiary (Washroom Hygiene Concepts Private Limited), of which we are statutory auditors. Based on initial inquiries, management of the subsidiary has quantified the possible impact of such irregularities to be Rs 1 million (including Rs 0.86 million relating to earlier years) and recovered such amounts from the employees concerned, during the current year. In this regard, the subsidiary Company has further initiated a forensic investigation of such irregularities by engaging an external independent expert and pending the completion of the same, we are unable to comment on the impact, if any, on the consolidated financial statements for the year ended March 31, 2022.

7. As indicated in our audit reports referred to in Paragraph 5 above, we did not audit the financial statements of certain subsidiaries as at and for the six-month period ended September 30, 2022 and as at and for the years ended March 31, 2022, March 31, 2021 and March 31, 2020 whose financial statements reflect total assets, total revenues and net cash inflows / (outflows), as tabulated below:

(Rs. In Millions)

Particulars	September 30, 2022	March 31, 2022	March 31, 2021	March 31, 2020
Number of Subsidiaries	8	8	7	7
Total assets	2885.61	2,389.14	1,010.45	1,034.65
Total revenue	3,411.44	5,003.68	1,669.47	2,156.35
Net cash inflow / (outflow)	(47.90)	162.87	126.16	(16.11)

These financial statements have been audited by other firms of Chartered Accountants as listed in Annexure 1, whose reports have been furnished to us by the Company's management and our opinion on the historical consolidated financial statements, in so far as it relates to the amounts and disclosures in respect of such subsidiaries as referred to in Paragraph 4(a) and 4 (b) above are based solely on the report of other auditors.

8. (a) The auditor's reports on the consolidated financial statements of the Group issued by us for the years ended March 31, 2022 and March 31, 2021 referred to in paragraph 4(b) above included the following emphasis of matter which did not require any corrections (included in Annexure VII in the attached Restated Ind AS Summary Statements):

   As at and for the year ended March 31, 2022
   We draw attention to Note 56 to the consolidated financial statements. The Holding Company has corrected certain prior period errors in respect of the matter more fully described in that note, by restating the comparative amounts for the year ended March 31, 2021 and the opening balances as at April 1, 2020 in accordance with IND AS 8, "Accounting Policies, Change in Accounting Estimates and Errors". Our opinion is not modified in respect of this matter.

   As at and for the year ended March 31, 2021
   We draw attention to Note 56 to the consolidated IND AS financial statements relating to rectification and restatement of items described therein (primarily intangible assets and deferred taxes) as at and for the year ended March 31, 2020 in accordance with Ind AS 8 "Accounting Policies, Change in Accounting Estimates and Errors". Our opinion is not qualified in respect of this matter.

   (b) The auditors' report on the consolidated financial statements of the Group included qualifications in the report on the Companies (Auditor's Report) Order, 2020 issued by the Central Government of India in terms of sub section (11) of Section 143 of the Act as at and for the year ended March 31, 2022 which did not require any corrections (included in Annexure VII in the attached Restated Consolidated Summary Statements). Further, our report under Section 143(3)(i) of the Act on the audit of Internal Financial Controls with reference to those financial statements as at and for the year ended March 31, 2022 included qualifications which did not require any corrections (included in Annexure VII in the attached Restated Consolidated Summary Statements).

9. The other auditors as mentioned above, have examined the restated financial information of certain subsidiaries (listed in Annexure 1) included in these Restated Consolidated Summary Statements and have confirmed that the restated financial information of the components:

   (i) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended March 31, 2022, March 31, 2021 and March 31, 2020 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed for the six-month period ended September 30, 2022.
   (ii) do not contain any qualifications requiring adjustments; and
   (iii) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

10. Based on our examination, in accordance with the ICDR Regulations and the Guidance Note, and according to the information and explanations given to us and also as per the reliance placed on the examination reports of components submitted by the other auditors as at and for the six-month period ended September 30, 2022 and as at and for the years ended March 31, 2022, March 31 ,2021 and March 31, 2020, as may be applicable in each case, we report that:

    i. The Restated Consolidated Summary Statements of the Group as at and for the six-month period ended September 30, 2022 and for the years ended March 31, 2022, 2021 and 2020 examined by us, as set out in Annexure to this report, have been arrived at after making adjustments and regroupings / reclassifications as more fully described in Annexure VII – "Statement of Material Adjustments and Regrouping" included in the Restated Consolidated Summary Statements is in our opinion were appropriate.

ii. The Restated Consolidated Summary Statements of the Group as at and for the six-month period ended September 30, 2022 and for the years ended March 31, 2022, 2021 and 2020 examined by us, have been made after giving effect to the qualification referred to in Paragraph 6 above.

iii. have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

11. We have not audited any financial statements of the Group as of any date or for any period subsequent to September 30, 2022. Accordingly, we express no opinion on the financial position, results of operations or cash flows of the Group as of any date or for any period subsequent to September 30, 2022.

12. The Restated Consolidated Summary Statements do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited consolidated financial statements mentioned in Paragraph 4(a) and 4(b) above.

13. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

14. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

15. Our report is intended solely for use of the Board of Directors for inclusion in the DRHP to be filed with Securities and Exchange Board of India, National Stock Exchange of India Limited, and BSE Limited in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Aravind K
Partner
Membership Number: 221268
UDIN: 23221268BGXPOF2019
Place of Signature: Chennai
Date: March 25, 2023

Annexure 1

Name of the Entity	Relationship	Name of Audit Firm	Period audited/ examined by Other Auditors
Integrated Technical Staffing and Solutions Private Limited	Subsidiary	L. Sukumar & Co	As at and for the six-month period ended September 30, 2022 and for the years ended March 31, 2022, 2021 and 2020.
Stanworth Management Private Limited	Subsidiary	Shiva Kumar G & Associates	As at and for the six-month period ended September 30, 2022 and for the years ended March 31, 2022, 2021 and 2020.
Tangy Supplies & Solutions Private Limited	Subsidiary	Lodha & Co	As at and for the six-month period ended September 30, 2022 and for the years ended March 31, 2022, 2021 and 2020.
Fusion Foods and Catering Private Limited	Subsidiary	Lodha & Co	As at and for the six-month period ended September 30, 2022 and for the years ended March 31, 2022, 2021 and 2020.
Wynwy Technologies Private Limited (formerly known as Zappy Home Solutions Private Limited)	Subsidiary	Lodha & Co	As at and for the six-month period ended September 30, 2022 and for the years ended March 31, 2022, 2021 and 2020.
Global Flight Handling Services Private Limited	Subsidiary	L. Sukumar & Co	As at and for the six-month period ended September 30, 2022 and for the years ended March 31, 2022, 2021 and 2020.
Matrix Business Services India Private Limited	Subsidiary	Deloitte Haskins & Sells LLP	As at and for the six-month period ended September 30, 2022 and for the years ended March 31, 2022, 2021 and 2020.
Denave India Private Limited	Subsidiary	Varma & Varma	As at and for the six-month period ended September 30, 2022 and for the year ended March 31, 2022

Updater Services Limited (Formerly known as Updater Services Private Limited)
Annexure I - Restated Consolidated Summary Statement of Assets and Liabilities
(All amounts are in millions of Indian Rupees unless otherwise stated)

Particulars	Notes	As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
ASSETS					
Non- current assets					
Property, plant and equipment	3	442.64	332.02	135.12	199.50
Capital work in progress	3B	48.77	41.24	3.20	-
Goodwill	3A	1,280.28	1,280.28	457.03	457.03
Other Intangible assets	3A	284.65	311.25	120.16	144.43
Right-of-use assets	43	121.52	120.35	36.69	53.44
Contract Assets	10	208.62	184.77	108.30	118.96
Financial assets					
(i) Investments	4	0.10	0.10	0.10	0.10
(ii) Loans	5	1.67	1.58	-	-
(iii) Other financial assets	6	412.07	307.27	139.12	100.49
Deferred tax asset (net)	16	499.14	473.84	381.12	302.62
Non-Current tax assets (net)	9	573.62	519.42	489.54	497.18
Other non-current assets	7	66.38	120.78	8.93	1.04
Total Non-Current Assets		**3,939.46**	**3,692.90**	**1,879.31**	**1,874.79**
Current assets					
Inventories	8	50.38	63.26	50.14	66.30
Contract Assets	10	715.23	560.92	331.73	320.47
Financial assets					
(i) Investments	4	-	-	40.34	15.34
(ii) Trade receivables	11	4,224.62	3,474.85	2,689.38	3,341.87
(iii) Cash and cash equivalents	12	1,284.64	572.86	445.83	172.99
(iv) Bank balances other than (iii) above	12A	241.50	137.31	192.27	73.63
(v) Loans	13	6.40	6.27	4.55	1.75
(vi) Other financial assets	14	86.03	89.35	58.19	49.53
Other current assets	15	255.96	147.94	103.20	129.63
Total Current Assets		**6,864.76**	**5,052.76**	**3,915.63**	**4,171.51**
Total Assets		**10,804.22**	**8,745.66**	**5,794.94**	**6,046.30**
EQUITY AND LIABILITIES					
Equity					
Equity share capital	17	528.18	528.18	528.18	528.18
Other equity					
Retained earnings	18	2,440.91	2,227.14	1,683.62	1,235.14
Capital redemption reserve	18	20.75	20.75	20.75	20.75
General Reserve	18	26.60	26.60	26.60	17.27
Employee stock option reserve	18	48.08	42.17	34.05	32.56
Foreign Currency Translation Reserve	18	(4.82)	-	-	-
Securities premium	18	559.43	559.43	559.43	559.43
Equity attributable to equity holders of the parent		**3,619.13**	**3,404.27**	**2,852.63**	**2,393.33**
Non controlling interest	19	53.10	53.09	69.28	45.44
Total Equity		**3,672.23**	**3,457.36**	**2,921.91**	**2,438.77**
Non-current liabilities					
Financial liabilities					
(i) Borrowings	20A	195.28	-	-	0.09
(ii) Lease Liabilities	43	75.31	78.68	23.19	39.45
(iii) Other Financial liabilities	23A	506.68	804.14	84.48	136.35
Net Employee defined benefit liabilities	21A	511.84	488.00	339.64	323.48
Deferred Tax Liabilities (Net)	25	96.00	108.48	25.56	31.07
Total Non-current liabilities		**1,385.11**	**1,479.30**	**472.87**	**530.44**

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Updater Services Limited (Formerly known as Updater Services Private Limited)
Annexure I - Restated Consolidated Summary Statement of Assets and Liabilities
(All amounts are in millions of Indian Rupees unless otherwise stated)

Particulars	Notes	As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Current Liabilities					
Financial liabilities					
(i) Borrowings	20B	1,502.86	586.79	116.10	899.52
(ii) Lease Liabilities	43	54.84	47.69	21.75	31.88
(iii) Trade payables					
Total outstanding dues of micro enterprises and small enterprises	22	101.46	57.75	38.88	76.98
Total outstanding dues of creditors other than micro enterprises and small enterprises	22	570.26	399.04	279.65	292.33
(iv) Other current financial liabilities	23B	2,549.46	1,780.58	1,174.31	1,104.58
Short Term Provisions	26	100.01	99.92	104.93	80.73
Net Employee defined benefit liabilities	21B	188.72	192.45	173.76	148.37
Current tax liabilities (net)	27	37.62	37.13	38.37	11.95
Other current liabilities	28	641.65	607.65	452.41	430.75
Total Current liabilities		**5,746.88**	**3,809.00**	**2,400.16**	**3,077.09**
Total Liabilities		**7,131.99**	**5,288.30**	**2,873.03**	**3,607.53**
TOTAL EQUITY AND LIABLITIES		**10,804.22**	**8,745.66**	**5,794.94**	**6,046.30**

Summary of significant accounting policies — Annexure V
The accompanying notes form an integral part of the Restated Consolidated Summary Statements. — Annexure VI
As per our report of even date

For S.R.Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Aravind K

Partner
Membership No. 221268

Place: Chennai
Date :March 25, 2023

For and on behalf of Board of Directors
Updater Services Limited
(Formerly known as Updater Services Private Limited)

Raghunandana Tangirala
Managing Director
DIN : 00628914

Pondicherry Chidambaram Balasubramanian
Director
DIN : 00584548

Balaji Swaminathan
Chief Financial Officer

B. Ravishankar
Company Secretary
Membership No: 08688

Place: Chennai
Date :March 25, 2023

Updater Services Limited (Formerly known as Updater Services Private Limited)
Annexure II - Restated Consolidated Summary Statement of Profit and Loss
(All amounts are in millions of Indian Rupees unless otherwise stated)

Particulars	Note No.	Six months period ended September 30, 2022	Year ended March 31, 2022	Year Ended March 31, 2021	Year Ended March 31, 2020
Income					
Revenue from contracts with customers	29	9,851.16	14,835.52	12,100.32	13,148.86
Other income	30	84.92	83.34	41.60	11.86
Finance income	31	28.49	60.07	21.59	7.09
Total Income		**9,964.57**	**14,978.93**	**12,163.51**	**13,167.81**
Expenses					
Cost of materials consumed	32	251.77	387.20	275.92	454.22
Purchases of traded goods	33	12.76	19.71	24.55	19.51
Cost of Services	33A	1,313.68	954.10	-	-
Changes in inventories of Finished goods and traded goods	34	12.72	(13.44)	15.61	(29.38)
Employee benefits expense	35	6,448.20	10,681.77	9,816.55	10,542.57
Finance costs	36	47.59	50.68	29.71	76.01
Depreciation and amortization expense	37	142.89	165.34	149.86	161.67
Impairment losses on financial instrument and contract assets	38A	28.03	60.01	55.47	66.69
Fair value changes in Liability payable/paid to promoters of acquired subsidiary	38B	274.38	213.48	38.75	29.37
Other expenses	39	1,122.58	1,750.67	1,212.83	1,480.58
Total Expense		**9,654.60**	**14,269.52**	**11,619.25**	**12,801.24**
Restated Profit before tax		**309.97**	**709.41**	**544.26**	**366.57**
Tax Expense :					
Current tax	40	143.61	209.48	153.43	67.58
Adjustment of tax relating to earlier periods	40	5.27	(12.98)	1.39	0.29
Deferred tax charge / (credit)	40	(40.84)	(60.78)	(86.17)	(32.08)
Income tax expense		**108.04**	**135.72**	**68.65**	**35.79**
Restated Profit for the year/ period		**201.93**	**573.69**	**475.61**	**330.78**
Other Comprehensive Income:					
Items that will not to be reclassified to profit or loss in subsequent periods:					
Re-measurement gains/(losses) on defined benefit obligations (net)		15.00	(32.68)	8.20	(12.98)
Income tax effect		(3.15)	5.51	(2.16)	1.54
Restated other comprehensive income / (loss) for the year/ period, net of tax		**11.85**	**(27.17)**	**6.04**	**(11.44)**
Restated total comprehensive Income for the year/ period, net of tax attributable to:		**213.78**	**546.52**	**481.65**	**319.34**
Restated Profit for the year/ period					
Attributable to:					
Equity holders of the parent		202.09	552.91	450.34	331.80
Non-controlling interests		(0.16)	20.78	25.27	(1.02)
Restated Other Comprehensive income for the year/ period					
Attributable to:					
Equity holders of the parent		11.68	(27.16)	7.47	(13.68)
Non-controlling interests		0.17	(0.01)	(1.43)	2.24
Restated Total comprehensive income for the year/ period					
Attributable to:					
Equity holders of the parent		213.77	525.75	457.81	318.12
Non-controlling interests		0.01	20.77	23.84	1.22
Restated earnings per equity share					
Basic (Amount in ₹)*	41	3.83	10.47	8.53	6.28
Diluted (Amount in ₹)*	41	3.80	10.40	8.47	6.24

*The restated basic and diluted earnings per share are not annualised for the six months period ended September 30, 2022.

Summary of significant accounting policies — Annexure V
The accompanying notes form an integral part of the Restated Consolidated Summary Statements. — Annexure VI
As per report of even date

For S.R.Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Aravind K
Partner
Membership No. 221268

Place: Chennai
Date :March 25, 2023

For and on behalf of Board of Directors
Updater Services Limited
(Formerly known as Updater Services Private Limited)

Raghunandana Tangirala
Managing Director
DIN : 00628914

Pondicherry Chidambaram Balasubramanian
Director
DIN : 00584548

Balaji Swaminathan
Chief Financial Officer

B. Ravishankar
Company Secretary
Membership No: 08688

Place: Chennai
Date :March 25, 2023

Updater Services Limited (Formerly known as Updater Services Private Limited)
Annexure III - Restated Consolidated Summary Statement of Cash Flows
(All amounts are in millions of Indian Rupees unless otherwise stated)

Particulars	Note	Six months period ended September 30, 2022	Year ended March 31, 2022	Year Ended March 31, 2021	Year Ended March 31, 2020
Restated Profit before tax		309.97	709.41	544.26	366.57
Adjustment to reconcile restated profit before tax to net cash flows					
Depreciation and amortization expense		142.89	165.34	149.86	161.67
Finance costs		47.59	50.68	29.71	76.01
Finance Income		(28.49)	(60.07)	(21.59)	(7.09)
Bad Debts recovered		-	(9.44)	-	-
Dividend income		-	-	-	(0.06)
Fair value changes in Liability payable/paid to promoters of acquired subsidiary		274.38	213.48	38.75	29.37
Impairment for doubtful trade receivables		3.00	43.79	48.43	60.55
Impairment for doubtful advances		5.28	11.66	1.06	6.14
Impairment for doubtful unbilled revenue		19.75	4.56	5.98	-
Advances written off		5.80	11.40	10.90	25.81
Provision for onerous contract		-	-	10.13	-
Fair value gain on Financial Assets at FVTPL		(0.86)	(10.17)	(5.53)	(3.07)
Provision no longer required written back		(64.21)	(55.84)	(11.50)	(4.56)
Liability payable to promoters of acquired subsidiary no longer required written back		-	-	(19.74)	-
(Profit)/Loss on sale of investments		-	-	-	(0.42)
Loss on sale of Property, plant and equipment		0.53	12.23	0.10	0.79
Profit on Sale of Property, plant and equipment		(0.29)	(0.40)	(2.19)	-
Employee stock option expenses		-	8.12	1.49	32.56
Unrealised exchange differences (net)		-	-	0.10	0.65
Operating cash flow before working capital changes		**715.34**	**1,094.75**	**780.22**	**744.92**
Movements in working capital :					
(Increase)/decrease in Trade receivables & contract assets		(961.75)	(721.16)	741.17	(478.29)
(Increase)/decrease in other financial assets		(4.77)	(217.84)	(177.36)	(215.96)
(Increase)/decrease in non - financial assets		(106.38)	164.49	24.04	(59.14)
(Increase)/decrease in Loans		(0.21)	7.26	(0.78)	(10.73)
(Increase)/decrease in Inventory		12.88	(13.12)	16.16	(18.35)
Increase/ (decrease) in Provision		11.94	108.39	55.63	161.95
Increase/(decrease) in trade payables		279.15	127.06	(39.38)	61.17
Increase/ (decrease) in financial liabilities		217.16	(105.75)	(1.09)	170.01
Increase/ (decrease) in other liabilities		34.01	80.29	11.47	(57.48)
Cash generated from /(used in) operations		**197.37**	**524.37**	**1,410.08**	**298.10**
Income taxes paid (net of refunds)		(202.60)	(213.68)	(125.13)	(244.89)
Net cash flow from/ (used in) operating activities	**A**	**(5.23)**	**310.69**	**1,284.95**	**53.21**
Cash flow from investing activities					
Purchase of property, plant and equipment including capital work in progress, capital creditors and advances paid		(149.98)	(135.04)	(42.73)	(134.49)
(Purchase) /Sale proceeds of Investments		-	40.34	(25.00)	(7.39)
Investments in fixed deposits (having original maturity of more than three months)		(1,462.71)	(1,575.82)	(1,020.32)	(31.40)
Redemption/Maturity of fixed deposits		1,263.53	1,635.21	897.62	101.86
Proceeds from sale of property, plant and equipment		1.20	-	6.73	1.75
Interest received		28.99	58.99	18.22	10.22
Dividend Received		-	-	-	0.06
Monies paid to promoters of acquired subsidiary		-	(12.04)	-	-
Acquisition of subsidiary (net of cash) (Refer Note 56)		-	(483.19)	-	(543.52)
Net cash flow from/ (used in) investing activities	**B**	**(318.97)**	**(471.55)**	**(165.48)**	**(602.91)**

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Updater Services Limited (Formerly known as Updater Services Private Limited)
Annexure III - Restated Consolidated Summary Statement of Cash Flows
(All amounts are in millions of Indian Rupees unless otherwise stated)

Particulars	Note	Six months period ended September 30, 2022	Year ended March 31, 2022	Year Ended March 31, 2021	Year Ended March 31, 2020
Cash flow from financing activities					
Repayment of long-term borrowings		(14.22)	-	-	(1.87)
Proceeds of long-term borrowings		209.50	-	-	-
Proceeds from short-term-borrowings		5,358.04	8,789.58	194.72	3,168.38
Repayment of short-term-borrowings		(4,441.96)	(8,361.32)	(978.22)	(2,553.69)
Payment of principal portion towards lease liabilities		(27.79)	(71.11)	(33.42)	(30.41)
Payment of interest towards lease liabilities		(4.99)	(5.16)	(4.91)	(5.16)
Investment by NCI		-	1.69	-	-
Buy-back of equity shares relating to non controlling interest portion (including tax)		-	(13.13)	-	-
Tax on buy-back of equity shares relating to parent		-	(7.75)	-	-
Interest paid		(42.60)	(44.91)	(24.80)	(14.03)
Net cash flow from/ (used in) in financing activities	**C**	**1,035.98**	**287.89**	**(846.63)**	**563.22**
Net increase/(decrease) in cash and cash equivalents	**A+B+C**	**711.78**	**127.03**	**272.84**	**13.52**
Cash and cash equivalents at the beginning of the year / period		572.86	445.83	172.99	78.57
Additions on acquisition of Subsidiaries		-	-	-	80.90
Cash and cash equivalents at the end of the year / period		1,284.64	572.86	445.83	172.99
Non Cash investing and financing activities					
Acquisition of Right of use assets		34.84	119.51	7.02	36.23

Refer Note 12B for changes in liabilities arising from financing activities.

Summary of significant accounting policies — Annexure V
The accompanying notes form an integral part of the Restated Consolidated Summary Statements. — Annexure VI

As per our report of even date

For S.R.Batliboi & Associates LLP
Chartered Accountants
Firm Registration no. 101049W/E300004

for and on behalf of Board of Directors of
Updater Services Limited
(Formerly known as Updater Services Private Limited)

per Aravind K
Partner
Membership No. 221268

Raghunandana Tangirala
Managing Director
DIN : 00628914

Pondicherry Chidambaram Balasubramanian
Director
DIN : 00584548

Balaji Swaminathan
Chief Financial Officer

B. Ravishankar
Company Secretary
Membership No: 08688

Place: Chennai
Date :March 25, 2023

Place: Chennai
Date :March 25, 2023

Updater Services Limited (Formerly known as Updater Services Private Limited)
Annexure IV - Restated Consolidated Summary Statement of Changes in Equity
(All amounts are in millions of Indian Rupees unless otherwise stated)

(a) Equity share capital

Equity shares of Rs 10 each issued, subscribed and fully paid	**No. of shares**	**Amount**
Balance as on April 01, 2019	**5,28,17,479**	**528.18**
Add: Shares issued during the year	-	
Balance as on March 31, 2020	**5,28,17,479**	**528.18**
Add: Shares issued during the year	-	-
Balance as on March 31, 2021	**5,28,17,479**	**528.18**
Add: Shares issued during the year	-	-
Balance as on March 31, 2022	**5,28,17,479**	**528.18**
Add: Shares issued during the period	-	-
Balance as on September 30, 2022	**5,28,17,479**	**528.18**

(b) Other equity (Restated)

Particulars	**Retained Earnings**	**Capital redemption reserve**	**General reserve**	**Securities Premium**	**Employee Stock Options Reserve**	**Foreign Currency Translation Reserve**	**Total Equity attributable to equity shareholders of parent**	**Non-Controlling Interest**	**Total**
Balance as at April 1, 2019 as per audited Consolidated Financial Statements	**973.65**	**20.75**	**15.04**	**559.43**	**-**	**-**	**1,568.87**	**44.22**	**1,613.09**
Less: Impact on account of prior period errors (Refer Annexure VII)	(32.99)	-	-	-	-	-	(32.99)	-	(32.99)
Restated Balance as at April 1, 2019	**940.66**	**20.75**	**15.04**	**559.43**	**-**	**-**	**1,535.88**	**44.22**	**1,580.10**
Restated Profit for the year	331.80	-	-	-	-	-	331.80	(1.02)	330.78
Restated other Comprehensive Income / (Loss)	(13.68)	-	-	-	-	-	(13.68)	2.24	(11.44)
Restated total comprehensive Income	**318.12**	**-**	**-**	**-**	**-**	**-**	**318.12**	**1.22**	**319.34**
Effect of adoption of Ind AS 116	(21.41)	-	-	-	-	-	(21.41)	-	(21.41)
Transfer to general reserve*	(2.23)	-	2.23	-	-	-	-	-	-
Employee stock options provided (Refer Note 44)	-	-	-	-	32.56	-	32.56	-	32.56
Balance as at March 31, 2020	**1,235.14**	**20.75**	**17.27**	**559.43**	**32.56**	**-**	**1,865.15**	**45.44**	**1,910.59**
Restated Profit for the year	450.34	-	-	-	-	-	450.34	25.27	475.61
Restated Other Comprehensive Income / (Loss)	7.47	-	-	-	-	-	7.47	(1.43)	6.04
Restated Total comprehensive Income	**457.81**	**-**	**-**	**-**	**-**	**-**	**457.81**	**23.84**	**481.65**
Transfer to general reserve*	(9.33)	-	9.33	-	-	-	-	-	-
Employee stock options provided (Refer Note 44)	-	-	-	-	1.49	-	1.49	-	1.49
Balance as at March 31, 2021	**1,683.62**	**20.75**	**26.60**	**559.43**	**34.05**	**-**	**2,324.45**	**69.28**	**2,393.73**
Restated Profit for the year	552.91	-	-	-	-	-	552.91	20.78	573.69
Restated Other Comprehensive Income / (Loss)	(27.16)	-	-	-	-	-	(27.16)	(0.01)	(27.17)
Restated Total comprehensive Income	**525.75**	**-**	**-**	**-**	**-**	**-**	**525.75**	**20.77**	**546.52**
Reversal of Reserves to NCI on acquisition of minority shares	25.52	-	-	-	-	-	25.52	(25.52)	-
Additional investment by NCI	-	-	-	-	-	-	-	1.69	1.69
Employee stock options provided (Refer Note 44)	-	-	-	-	8.12	-	8.12	-	8.12
Buyback of Subsidiary's Equity Shares#	(7.75)	-	-	-	-	-	(7.75)	(13.13)	(20.88)
Balance as at March 31, 2022	**2,227.14**	**20.75**	**26.60**	**559.43**	**42.17**	**-**	**2,876.09**	**53.09**	**2,929.18**
Restated Profit for the period	202.09	-	-	-	-	-	202.09	(0.16)	201.93
Restated Other Comprehensive Income / (Loss)	11.68	-	-	-	-	-	11.68	0.17	11.85
Restated Total comprehensive Income	**213.77**	**-**	**-**	**-**	**-**	**-**	**213.77**	**0.01**	**213.78**
Foreign Currency Translation Reserve	-	-	-	-	-	(4.82)	(4.82)	-	(4.82)
Employee stock options provided (Refer Note 44)	-	-	-	-	5.91	-	5.91	-	5.91
Balance as at September 30, 2022	**2,440.91**	**20.75**	**26.60**	**559.43**	**48.08**	**(4.82)**	**3,090.95**	**53.10**	**3,144.05**

(All amounts are in millions of Indian Rupees unless otherwise stated)

*One of the subsidiary (Avon Solutions & Logistics Private Limited) has transferred 10% of its profit to general reserve.

Pursuant to special resolution approved by shareholders of one of the subsidiary (Avon Solutions & Logistics Private Limited), the subsidiary bought back 4,000 equity shares of the subsidiary's shareholders. The Group has adjusted the buy back payment along with the Income tax (Distribution tax) relating to non-controlling interest against non controlling interest balance and Income tax (Distribution tax) pertaining to holding company has been adjusted against retained earnings of the Group.

Summary of significant accounting policies	Annexure V
The accompanying notes form an integral part of the Restated Consolidated Summary Statements.	Annexure VI

As per our report of even date
For S R Batliboi & Associates LLP
Chartered Accountants
Firm Registration no. 101049W/E300004

For and on behalf of Board of Directors
Updater Services Limited
(Formerly known as Updater Services Private Limited)

per Aravind K
Partner
Membership No. 221268

Raghunandana Tangirala
Managing Director
DIN : 00628914

Pondicherry Chidambaram Balasubramanian
Director
DIN : 00584548

Balaji Swaminathan
Chief Financial Officer

B. Ravishankar
Company Secretary
Membership No: 08688

Place: Chennai
Date :March 25, 2023

Place: Chennai
Date :March 25, 2023

1. Corporate information

Updater Services Limited (formerly known as Updater Services Private Limited) ("the Company") was incorporated on November 13, 2003. The company is a limited company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the company is located at 2/302A, UDS Salai, off Old Mahabalipuram Road, Thoraipakkam, Chennai.

The Company and its subsidiaries (together known as the "Group") group is engaged in providing facility management services like integrated facility management services to various industries such as information technology enabled services, manufacturing, hospitality and other industries and catering services, which includes industrial catering, and services at food courts. Facility management services includes housekeeping, janitorial, garden management, pest control, waste management, vendor management, cleaning and mail room services, mechanical and electrical services, water management, hygiene management, plumbing, energy/safety audit, design erection, installation, testing and commissioning and catering solutions.

The company has converted from Private Limited Company to Public Limited Company, pursuant to a special resolution passed in the extraordinary general meeting of the shareholders of the Company held on October 19, 2021 and consequently the name of the Company has changed to Updater Services Limited pursuant to a fresh certificate of incorporation by the Registrar of Companies on March 24, 2022.

The Group's restated consolidated summary statements for the six months period ended September 30, 2022, year ended March 31, 2022, March 31, 2021 and March 31, 2020 were approved by the Board of Directors on March 25, 2023.

2. Significant accounting policies

2.1 Basis of preparation

The Restated Consolidated Summary Statements of the Group comprises of the Restated Consolidated Summary statement of Assets and Liabilities as at September 30, 2022, March 31, 2022, March 31, 2021 and March 31, 2020, the related Restated Consolidated Summary Statements of Profit and Loss (including Other Comprehensive Income), the Restated Consolidated Summary Statements of Cash Flows, the Restated Consolidated Summary Statements of Changes in Equity for the six months period ended September 30 2022, March 31, 2022, March 31, 2021 and March 31, 2020 and the Summary of Significant Accounting Policies and explanatory notes (collectively, the 'Restated Consolidated Summary Statements' or 'Statements').

The accounting policies have been consistently applied by the Group in preparation of the Restated Consolidated Summary Statements.

These Statements have been prepared by the Management for the purpose of preparation of the restated consolidated summary statements to be filed by the Company with the Securities and Exchange Board of India ("SEBI") in connection with its proposed initial public offering of equity shares of face value of INR 10 each of the Company comprising a fresh issue of equity shares and an offer for sale of equity shares held by the selling shareholders (collectively, the "Offering")

These Restated Consolidated Summary Statements have been prepared to comply in all material respects with the requirements of:
(a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (""the Act"").
(b) Relevant provisions of The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("the SEBI ICDR Regulations") issued by the Securities and Exchange Board of India ('SEBI') on September 11, 2018 as amended from time to time in pursuance of the Securities and Exchange Board of India Act, 1992.
(c) Guidance note on Reports in Company Prospectuses (Revised 2019) ("Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI")."

These Restated Consolidated Summary Statements have been compiled by the management of the Company from:

(a) Audited consolidated financial statements of the Group as at and for the six-month period ended September 30, 2022, prepared in accordance with Indian Accounting Standard 34 “Interim Financial Reporting” as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on March 25, 2023.
(b) Audited consolidated financial statements of the Group as at and for the years ended March 31, 2022, March 31, 2021 and March 31, 2020 which were prepared in accordance with the Indian Accounting Standard (referred to as “IND AS”) as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, other accounting principles generally accepted in India, and presentation requirements of Division II of Schedule III of Companies Act, 2013, as applicable to Consolidated Financial Statements, which have been approved by the Board of Directors at their meeting held on December 31, 2022, September 24, 2021, and December 31, 2020 respectively

The Restated Consolidated Summary Statements have been prepared on the historical cost basis, except for the certain assets and liabilities (refer accounting policy regarding financial instruments) and share based payments which have been measured at fair value as per Ind AS 102.

The accounting policies have been consistently applied by the Group in preparation of the Restated Consolidated Summary Statements and are consistent with those adopted in the preparation of restated Consolidated Summary Statements for the six months ended September 30, 2022.

The Restated Consolidated summary statements are presented in Indian Rupees "INR" and all values are stated as INR Millions, except when otherwise indicated.

2.2 Basis of consolidation

The restated consolidated summary statements comprise the financial statements of the Parent Company and its subsidiaries for the six-month period ended September 30, 2022, and year ended 31 March 2022, 31 March 2021 and 31 March 2020.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements.
- The Group’s voting rights and potential voting rights.
- The size of the Group’s holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the restated consolidated financial statements from the date the Group gains control until the date the group ceases to control the subsidiary.

Restated Consolidated summary statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the restated consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the restated consolidated financial statements to ensure conformity with the Group's accounting policies.

The restated consolidated summary statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., six-month period ended September 30, 2022 and year ended 31 March 2022, 31 March 2021 and 31 March 2020. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for restated consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the restated financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the Restated Consolidated Summary Statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the Restated Consolidated Summary Statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Restated Consolidated summary statement of profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the group's accounting policies. All intra-Group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests.
- Derecognises the cumulative translation differences recorded in equity.
- Recognises the fair value of the consideration received.
- Recognises the fair value of any investment retained.
- Recognises any surplus or deficit in profit or loss.
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

2.3 Summary of Significant accounting policies

a. Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable.

However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits, respectively.
- Potential tax effects of temporary differences and carry forwards of an acquiree that exist at the acquisition date or arise as a result of the acquisition are accounted in accordance with Ind AS 12.
- Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.
- Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.
- Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances, and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the

Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

b. Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or consumed in normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The group has identified twelve months as its operating cycle.

c. Foreign currencies

The Group's restated consolidated financial statements are presented in INR, which is also the parent company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation.

Transactions and Balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Group uses average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in restated consolidated summary statement of profit or loss with the exception of the following:

- Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognised in profit or loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the restated consolidated financial statements that include the foreign operation and the reporting entity (e.g., Restated Consolidated Summary Statements when the foreign operation is a subsidiary), such exchange differences are recognised initially in OCI. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.
- Exchange differences arising on monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss.
- Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of advance consideration.

Group companies

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit and loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit and loss.

Any goodwill arising in the acquisition/ business combination of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

Any goodwill or fair value adjustments arising in business combinations/ acquisitions, which occurred before the date of transition to Ind AS (1 April 2015), are treated as assets and liabilities of the entity rather than as assets and liabilities of the foreign operation. Therefore, those assets and liabilities are non-monetary items already expressed in the functional currency of the parent and no further translation differences occur.

Gain or loss on a subsequent disposal of any foreign operation excludes translation differences that arose before the date of transition but includes only translation differences arising after the transition date.

d. Property, plant, and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

The cost of property, plant and equipment not ready for intended use before such date is disclosed under capital work-in-progress. Items that are not yet ready to use and have an economic benefit of more than one year have been disclosed under capital work-in-progress.

For depreciation purposes, the group identifies and determines cost of asset significant to the total cost of the asset having useful life that is materially different from that of the life of the principal asset and depreciates them separately based on their specific useful lives. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure, are charged to the statement of profit and loss for the period during which such expenses are incurred.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

The Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 1, 2017 (the transition date) measured as per the previous GAAP and use such carrying value as its deemed cost as of the transition date.

Depreciation

The group, based on technical assessment made by experts and management estimates, depreciates certain items of property, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013 based on the pattern of consumption of such assets and having regard to the nature of assets in this industry. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Depreciation is calculated on a written down value basis/straight line basis that closely reflects the expected pattern of consumption of future economic benefits embodied in the respective assets over the estimated useful lives of the assets.

Asset Classification	Estimated Useful Life (Years)	Schedule II Life (years)
Plant and machinery	5	15
Furniture and fittings	10	10
Office equipment	5	5
Vehicles	8	8
Computer and accessories	3	3
Building	30	30
Leasehold improvements #	1-5 years	NA

Leasehold Improvements are depreciated over the leasehold period or useful life estimated by management whichever is lesser.

The residual values, useful lives, and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

e. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The Group has elected to continue with the carrying value of all of its intangible assets recognised as of April 1, 2017 (the transition date) measured as per the previous GAAP and use such carrying value as its deemed cost as of the transition date.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss. when the asset is derecognised.

Asset Classification	**Useful Life (Years)**	**Amortisation method**	**Internally generated or acquired**
Software	3 to 10 years	Amortised on a straight-line basis over the life	Acquired
Goodwill	Indefinite	Assessed for impairment at the end of every year	Acquired
Customer Relationship	5 – 8.5 years	Amortised on a straight-line basis over the life	Acquired
Non-compete	8 – 10 years	Amortised on a straight-line basis over the life	Acquired
Vendor Contract	5 years	Amortised on a straight-line basis over the life	Acquired
Brand	Indefinite	Assessed for impairment at the end of every year	Acquired

f. Impairment of non-financial assets

The group assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, the group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an assets or cash-generating units (CGU) fair value less cost of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the group's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the services, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses including impairment on inventories, are recognized in the statement of profit and loss. After impairment, depreciation / amortization is provided on the revised carrying amount of the asset over its remaining useful life.
An assessment for assets excluding goodwill is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the group estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation / amortization, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss.

g. Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Group has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to credit risks.

Goods and Service Tax (GST) is not received by the Company on its own account. Rather, it is the tax collected on value added on the services and commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The Company's receivables are rights to consideration that are unconditional. Unbilled revenues comprising revenues in excess of invoicing are classified as financial asset when the right to consideration is unconditional and is due only after a passage of time. It is presented under trade receivables. If contractual right is conditional as the right to consideration is dependent on completion of contractual obligations including right to receive the reimbursement of gratuity cost from the customers, then such assets are classified as contract assets. Invoicing in excess of revenues is classified as contract liabilities (referred to as income received in advance).

Revenue is adjusted for expected price concessions from customers based on assumptions relating to risk of credit notes issued. The Group uses judgment in making these assumptions and selecting the inputs to the calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

The following revenue recognition criteria should be applied for the accounting of the below mentioned services.

Income from facility management services
Revenues from facility management service contracts are recognized pro-rata over the period of the contract as and when services are rendered and are net of discounts.

Income from Mailroom services / Courier services
Mailroom services consist of in-house operations of mail room and mail delivery including inter-office mails. It involves MIS generation, cost management, vendor management, inbound and outbound mail management, and pre-processing of mails. Revenue from mailroom services is accounted as and when the related services are rendered and is net of discounts and taxes.

Mail logistics / Courier services and pickup & delivery services refer to packing and delivery of goods' articles. Revenue from such services is recognized as the related services are rendered in accordance with the terms and conditions of the contract/agreement with the customer.

Sales Enablement and other staffing services
Revenues from knowledge process outsourcing, human resource outsourcing service contracts are accounted on accrual basis on performance of the services agreed in the contract with the customers.

Audit & Assurance and Employee Background Verification Services
The Groups revenue comprises of Audit and Assurance (A&A) and Employee Background Verification (EBGV) services for customers in India and outside India. Agreements with customers are either on a fixed price – fixed time frame or on a time- and - material basis. Revenue on time-and-material basis contracts is recognised as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognised as unbilled revenue. Revenue from time bound fixed price contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the proportionate completion method to the extent of cost incurred. When there is uncertainty as to the measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.

Dividend income
Dividend income is recognised when the unconditional right to receive the payment is established.

Interest income
Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head “Finance income” in the statement of profit and loss.

Contract balances

Contract assets
A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Upon completion of the service period and acceptance by the customer (generally by confirming the attendance records), the amount recognised is reclassified to trade receivables.

Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets in section f. *“Financial instruments – initial recognition and subsequent measurement.”*

Trade receivables
A receivable represents the group’s right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Refund Liabilities
A refund liability is recognised for the obligation to refund some, or all of the consideration received (or receivable) from the customer. The Group’s refund liabilities arise from customers’ right of return and volume rebates. The Group updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

Contract liabilities
A contract liability is the obligation to transfer goods or services to a customer for which the group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the group transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the group performs under the contract.

h. Inventories

Inventories are valued at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- **Raw materials:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis.
- **Finished goods and work in progress:** cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost is determined on first in, first out basis.
- **Traded goods:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

i. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets
Initial recognition and measurement
All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) is recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Effective interest method
The effective interest method (EIR) is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

Subsequent measurement
For purposes of subsequent measurement, financial assets are classified in four categories:
- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives, and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost
A ‘debt instrument’ is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables. For more information on receivables, refer to Note 10* (Trade Receivables).

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method. The Group does not have any debt instrument as at FVTOCI.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L. The Group does not have any debt instrument at FVTPL.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and "contingent consideration classified as liability" recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, entities in the Group have made an irrevocable election to present in other comprehensive income subsequent changes in the fair value. Such election is made on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated balance sheet) when:

The rights to receive cash flows from the asset have expired, or

The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the group has transferred substantially all the risks and rewards of the asset, or (b) the group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the group could be required to repay.

Impairment of financial assets

The Group applies expected credit loss model for recognising impairment loss on financial assets measured at amortised cost.

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Provision for ECL is recognised for financial assets measured at amortised cost and fair value through other comprehensive income. It is the Group's policy to measure ECLs on financial assets on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL.

For recognition of impairment loss on other financial assets, the Group determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Group reverts to recognising impairment loss allowance based on 12-month ECL.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as expenses in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L.

Reclassification of financial assets
The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model.

Financial liabilities
Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortized cost, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, borrowings including bank overdrafts, redemption liability and financial guarantee contracts.

Subsequent measurement

All financial liabilities except derivatives are subsequently measured at amortised cost using the effective interest rate method or at Fair Value through profit and loss.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Group has not designated any financial liability as at fair value through profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged, cancelled, or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Liability towards unacquired shares of subsidiary:

The Group has elected not to recognise a non-controlling interest in subsidiaries where the group has a right / obligation to purchase the shares held by NCI. The Group has chosen to base its accounting policy on Ind AS 32, i.e., Ind AS 32 takes precedence over Ind AS 110. Consequently, any contractual obligation to purchase NCI, such as an NCI put, gives rise to a financial liability measured at the present value of the redemption amount which is subsequently measured in accordance with Ind AS 109.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Derivative Financial Instruments

The Group uses derivative financial instruments, such as forward currency contracts, interest rate swaps and forward commodity contracts, to hedge its foreign currency risks, interest rate risks and commodity price risks, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The purchase contracts that meet the definition of a derivative under Ind AS 109 are recognised in the statement of profit and loss. Commodity contracts that are entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the Group's expected purchase, sale or usage requirements are held at cost.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment.
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.
- Hedges of a net investment in a foreign operation

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged, and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

• There is an economic relationship' between the hedged item and the hedging instrument.

• The effect of credit risk does not 'dominate the value changes' that result from that economic relationship.

• The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

(i) Fair value hedges

The change in the fair value of a hedging instrument is recognised in the statement of profit and loss as finance costs. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the statement of profit and loss as finance costs.

For fair value hedges relating to items carried at amortised cost, any adjustment to carrying value is amortised through profit or loss over the remaining term of the hedge using the EIR method. EIR amortisation may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.

If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss.

When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in profit or loss.

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the Effective portion of cash flow hedges, while any ineffective portion is recognised immediately in the statement of profit and loss. The Effective portion of cash flow hedges is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

The Group uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments, as well as forward commodity contracts for its exposure to volatility in the commodity prices. The ineffective portion relating to foreign currency contracts is recognised in finance costs and the ineffective portion relating to commodity contracts is recognised in other income or expenses.

The Group designates only the spot element of a forward contract as a hedging instrument. The forward element is recognised in OCI.

The amounts accumulated in OCI are accounted for, depending on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item, the amount accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of the hedged asset or liability. This is not a reclassification adjustment and will not be recognised in OCI for the period. This also applies where the hedged forecast transaction of a non-financial asset or non-financial liability subsequently becomes a firm commitment for which fair value hedge accounting is applied.

For any other cash flow hedges, the amount accumulated in OCI is reclassified to profit or loss as reclassification adjustment in the same period or periods during which the hedged cash flows affect profit or loss.

If cash flow hedge accounting is discontinued, the amount that has been accumulated in OCI must remain in accumulated OCI if the hedged future cash flows are still expected to occur. Otherwise, the amount will be immediately reclassified to profit or loss as a reclassification adjustment. After discontinuation, once the hedged cash flow occurs, any amount remaining in accumulated OCI must be accounted for depending on the nature of the underlying transaction as described above.

Hedges of a net investment

Hedges of a net investment in a foreign operation, including a hedge of a monetary item that is accounted for as part of the net investment, are accounted for in a way similar to cash flow hedges. Gains or losses on the hedging instrument relating to the effective portion of the hedge are recognised as OCI while any gains or losses relating to the ineffective portion are recognised in the statement of profit or loss. On disposal of the foreign operation, the cumulative value of any such gains or losses recorded in equity is reclassified to the statement of profit and loss (as a reclassification adjustment).

j. Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i. Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a written-down value basis/straight line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Asset Classification	**Estimated Useful Life (Years)**
Building	1 – 5
Vehicles	1 – 3
Furniture and fittings	1 – 2

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (d) Impairment of non-financial assets.

ii. Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. (Refer Note 43)

iii. Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of Buildings and Machinery and Equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

k. Retirement and other employee benefits

a. Compensated absences

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The group treats accumulated leave expected to be carried forward beyond twelve months, as non-current employee benefit for measurement purposes. Such non-current compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Remeasurement actuarial gains / losses are immediately taken to the statement of profit and loss and are not deferred.

b. Post-employment obligations

The group operates the following post-employment schemes:

i. Gratuity obligations

Gratuity liability under the Payment of Gratuity Act, 1972 is a defined benefit obligation. The Plan provides payment to vested employees at retirement, death, or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The group provides the gratuity benefit through annual contribution to a fund managed by the Life Insurance Corporation of India (LIC). Under this scheme the settlement obligation remains with the group although the LIC administers the scheme and determines the contribution premium required to be paid by the group. The cost of providing benefits under this plan is determined on the basis of actuarial valuation at each year-end using the projected unit credit method.

In addition to the above, the group recognises its liability in respect of gratuity for employees (where customer reimburses gratuity) and its right of reimbursement as an asset. Employee benefits expense in respect of gratuity to employees and reimbursement right is presented in accordance with Ind AS – 19.

Remeasurement, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurement is not reclassified to profit or loss in subsequent periods.

Past service cost is recognised in profit or loss on the earlier of the date of the plan amendment or curtailment, and the date that the group recognises related restructuring costs.
Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:
- Service costs comprising current service costs, past-service costs and
- Net interest expense or income.

ii. Retirement benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The group has no obligation, other than the contribution payable to the provident fund. The group recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

l. Taxes

Current income tax
Income tax expense comprises current tax expense and deferred tax charge or credit during the year. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the group operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

The group shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

Deferred tax
Deferred tax is recognised using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, except:

• When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
• In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax asset is recognised for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Group recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the group recognizes MAT credit as a deferred tax asset. The group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

The carrying amount of deferred tax assets is reviewed at each reporting date and written off to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.
Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

m. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e., by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

The Company is availing of benefits under a government scheme - Pradhan Mantri Rojgar Protsahan Yojana (PMRPY) wherein the Central Government is paying the employer's contribution towards Employee Pension Scheme / Provident Fund in respect of new employees meeting specified criteria. The same is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed (Refer Note 35)

n. Financial guarantee contracts

Financial guarantee contracts issued by the group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

o. Fair value measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
• In the principal market for the asset or liability, or
• In the absence of a principal market, in the most advantageous market for the asset or liability

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest. The principle or the most advantageous market must be accessible by the group.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

• Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
• Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
• Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Involvement of external valuers is decided upon annually by the Group. At each reporting date, the Group analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the accounting policies. For this analysis, the Group verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents. Other fair value related disclosures are given in the relevant notes.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above (Refer Note 51 Fair value hierarchy).

p. Segment reporting

Segments are identified based on the manner in which the Chief Operating Decision Maker ('CODM') decides about resource allocation and reviews performance. Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. The Managing Director of the Group has been identified as being the chief operating decision maker (CODM), he evaluates the Group's performance, allocate resources based on the analysis of the various performance indicator of the Group into two segments viz. 'Integrated Facility Management Services' and 'Business Support Services'.

q. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holder of parent company (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss before OCI for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

r. Dividend

The Company recognises a liability to pay dividend to equity holders of the parent when the distribution is authorised, and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

s. Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

The amount recognised as a provision is the best estimate of the consideration required to settle present obligation at the end of reporting period, taking into account the risk and uncertainty surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of these cash flows (when the effect of the time value of money is material). When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of receivable can be measured reliably.

Onerous Contract

If the Group has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Group recognises any impairment loss that has occurred on assets dedicated to that contract.

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Group cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities).

t. Contingent liabilities & Contingent Assets

Contingent liability is disclosed for,
(i) Possible obligation which will be confirmed only by future events not wholly within the control of the group or
(ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are not recognised in the financial statements.

Contingent assets are disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

u. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above. Bank overdrafts are shown within borrowings in financial liabilities in the balance sheet.

v. Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

w. Share-based payments
Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions
The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. Further details are given in Note 44.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit and loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

x. Changes in accounting policies and disclosures

New and amended standards

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standard) Amendment Rules 2022 dated March 23, 2022 to amend the following Ind AS which are effective from April 01, 2022.

i. Onerous Contracts – Costs of Fulfilling a Contract – Amendments to Ind AS 37.

The amendments to Ind AS 37 specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a “directly related cost approach”. The costs that relate directly to a contract to provide goods or services include both incremental costs for example direct labour and materials and an allocation of other costs directly related to contract activities for example an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling that contract. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

The amendments are effective for annual reporting periods beginning on or after April 1, 2022. The Company has evaluated the amendment and the impact is not expected to be material.

ii. Property, Plant and Equipment: Proceeds before Intended Use – Amendments to Ind AS 16

The amendments modified paragraph 17(e) of Ind AS 16 to clarify that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

The amendments are effective for annual reporting periods beginning on or after April 1, 2022. The amendments are not expected to have a material impact on the Company.

iii. Business Combination – Amendments to Ind AS 103

The amendment states that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Framework for the Preparation and Presentation of Financial Statements in accordance with Indian Accounting Standards* issued by the Institute of Chartered Accountants of India at the acquisition date. Therefore, the acquirer does not recognise those costs as part of applying the acquisition method. Instead, the acquirer recognises those costs in its post-combination financial statements in accordance with other Ind AS.

The amendments are effective for annual reporting periods beginning on or after April 1, 2022. The Company has evaluated the amendment and the impact is not expected to be material.

iv. Ind AS 109 Financial Instruments – Fees in the ’10 per cent’ test for derecognition of financial liabilities

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other’s behalf.
The amendments are effective for annual reporting periods beginning on or after April 1, 2022. The amendments are not expected to have a material impact on the Company.

(All amounts are in millions of Indian Rupees unless otherwise stated)

3 Property, Plant and Equipment

Particulars	Plant and machinery	Furniture and fixtures	Office equipment	Vehicles	Computer and accessories	Building	Leasehold improvements	Total
Gross carrying value at Cost/Deemed Cost								
At April 1, 2019	183.52	18.80	16.36	17.70	30.96	17.76	6.79	291.89
Additions	56.39	11.30	8.28	2.46	19.26	2.33	4.40	104.42
Acquisition of a subsidiaries (Note 56)	42.35	1.02	2.70	3.73	9.02	-	2.08	60.90
Transfer to RoU (Refer Note a)	-	-	-	(1.36)	-	-	-	(1.36)
Disposals	(8.38)	(1.59)	(0.82)	(2.36)	(0.77)	-	-	(13.92)
At March 31, 2020	**273.88**	**29.53**	**26.52**	**20.17**	**58.47**	**20.09**	**13.27**	**441.93**
Additions	24.58	1.52	3.94	-	6.15	-	1.00	37.19
Disposals	(4.06)	(5.40)	(4.76)	(1.06)	(2.22)	-	(0.77)	(18.27)
At March 31, 2021	**294.40**	**25.65**	**25.70**	**19.11**	**62.40**	**20.09**	**13.50**	**460.85**
Additions	62.53	5.35	8.45	156.94	26.71	-	7.82	267.80
Acquisition of a subsidiary (Note 56)	-	0.01	0.35	0.26	23.60	-	0.61	24.83
Disposals	(79.01)	(0.68)	(4.31)	(1.92)	(15.75)	-	(6.12)	(107.79)
At March 31, 2022	**277.92**	**30.33**	**30.19**	**174.39**	**96.96**	**20.09**	**15.81**	**645.69**
Additions	44.51	3.00	2.25	117.06	30.35	-	-	197.17
Disposals	(1.13)	(0.10)	(0.00)	(0.86)	(0.81)	-	-	(2.90)
At September 30, 2022	**321.30**	**33.23**	**32.44**	**290.59**	**126.50**	**20.09**	**15.81**	**839.96**
Accumulated Depreciation								
At April 1, 2019	91.70	5.21	7.54	6.97	17.28	2.52	4.70	135.92
Charge for the year	83.16	5.74	6.26	3.41	15.26	3.77	1.47	119.07
Transfer to RoU (Refer Note a)	-	-	-	(0.09)	-	-	-	(0.09)
Disposals	(7.65)	(1.59)	(0.83)	(1.62)	(0.78)	-	-	(12.47)
At March 31, 2020	**167.21**	**9.36**	**12.97**	**8.67**	**31.76**	**6.29**	**6.17**	**242.43**
Charge for the year	65.14	3.89	6.07	3.54	13.74	1.33	3.22	96.93
Disposals	(3.46)	(3.77)	(2.67)	(1.06)	(1.90)	-	(0.77)	(13.63)
At March 31, 2021	**228.89**	**9.48**	**16.37**	**11.15**	**43.60**	**7.62**	**8.62**	**325.73**
Charge for the year	41.89	3.22	4.40	15.69	15.09	1.18	2.88	84.35
Disposals	(70.32)	(0.53)	(2.85)	(1.67)	(14.55)	-	(5.72)	(95.64)
Other adjustments	(0.59)	(0.07)	(0.02)	(0.02)	(0.07)	-	-	(0.77)
At March 31, 2022	**199.87**	**12.10**	**17.90**	**25.15**	**44.07**	**8.80**	**5.78**	**313.67**
Charge for the period	24.59	1.95	2.00	39.04	15.38	0.54	1.39	84.89
Disposals	(0.04)	(0.10)	(0.54)	(0.78)	-	-	-	(1.46)
Other adjustments	-	-	-	-	0.22	-	-	0.22
At September 30, 2022	**224.42**	**13.95**	**19.36**	**63.41**	**59.67**	**9.34**	**7.17**	**397.32**
Net Block								
At March 31, 2020	**106.67**	**20.17**	**13.55**	**11.50**	**26.71**	**13.80**	**7.10**	**199.50**
At March 31, 2021	**65.51**	**16.17**	**9.33**	**7.96**	**18.80**	**12.47**	**4.88**	**135.12**
At March 31, 2022	**78.05**	**18.23**	**12.29**	**149.24**	**52.89**	**11.29**	**10.03**	**332.02**
At September 30, 2022	**96.88**	**19.28**	**13.08**	**227.18**	**66.83**	**10.75**	**8.64**	**442.64**

Note:

a) Certain finance lease vehicles have been reclassified from Property, Plant and Equipment to Right-of-use assets in line with Ind AS 116.

b) Cash credit, working capital, short term revolving loan and term loans are secured by first pari-passu charge on certain moveable assets. (Refer Note 20B)

3A Other Intangible assets & Goodwill on consolidation

Particulars	Intangibles Assets					
	Computer software	Customer relationship	Non Compete	Vendor Contract	Brand	Total
Gross carrying value at Cost / Deemed Cost						
At April 1, 2019	9.07	-	-	-	-	9.07
Additions	13.45	-	-	-	-	13.45
Acquisition of a subsidiary (Note 56)	13.50	36.50	21.50	61.70	15.50	148.70
Disposals	(0.60)	-	-	-	-	(0.60)
At March 31, 2020	**35.42**	**36.50**	**21.50**	**61.70**	**15.50**	**170.62**
Additions	3.66	-	-	-	-	3.66
Disposals	-	-	-	-	-	-
At March 31, 2021	**39.08**	**36.50**	**21.50**	**61.70**	**15.50**	**174.28**
Additions	8.47	-	-	-	-	8.47
Acquisition of a subsidiary (Note 56)	-	148.00	25.70	-	53.70	227.40
Disposals	-	-	-	-	-	-
At March 31, 2022	**47.55**	**184.50**	**47.20**	**61.70**	**69.20**	**410.15**
Additions	1.00	-	-	-	-	1.00
Disposals	-	-	-	-	-	-
At September 30, 2022	**48.55**	**184.50**	**47.20**	**61.70**	**69.20**	**411.15**

(All amounts are in millions of Indian Rupees unless otherwise stated)

3A Other Intangible assets & Goodwill on consolidation (Continued)

Particulars	Intangibles Assets					
	Computer software	Customer relationship	Non Compete	Vendor Contract	Brand	Total
Accumulated Amortization						
At April 1, 2019	6.36	-	-	-	-	6.36
Charge for the year	5.90	4.74	1.63	7.07	-	19.34
Impairment	0.54	-	-	-	-	0.54
Other adjustments	(0.05)	-	-	-	-	(0.05)
Disposals	-	-	-	-	-	-
At March 31, 2020	**12.75**	**4.74**	**1.63**	**7.07**	**-**	**26.19**
Charge for the year	6.01	7.29	2.26	12.33	-	27.89
Disposals	-	-	-	-	-	-
Other adjustments	-	-	-	0.04	-	0.04
At March 31, 2021	**18.76**	**12.03**	**3.89**	**19.44**	**-**	**54.12**
Charge for the year	10.56	17.75	4.19	12.32	-	44.82
Disposals	-	-	-	-	-	-
Other adjustments	-	-	-	**(0.04)**	-	**(0.04)**
At March 31, 2022	**29.32**	**29.78**	**8.07**	**31.72**	**-**	**98.90**
Charge for the period	2.01	16.01	3.40	6.18	-	27.60
Disposals	-	-	-	-	-	-
At September 30, 2022	**31.33**	**45.79**	**11.47**	**37.90**	**-**	**126.50**
Net Block						
At March 31, 2020	**22.67**	**31.76**	**19.87**	**54.63**	**15.50**	**144.43**
At March 31, 2021	**20.32**	**24.47**	**17.61**	**42.26**	**15.50**	**120.16**
At March 31, 2022	**18.23**	**154.72**	**39.13**	**29.98**	**69.20**	**311.25**
At September 30, 2022	**17.22**	**138.71**	**35.73**	**23.80**	**69.20**	**284.65**

Goodwill on Consolidation

Particulars	Goodwill on Consolidation
At April 01, 2019	**157.56**
Acquisition of a subsidiary (Note 56)	299.47
At March 31, 2020	**457.03**
Additions	-
At March 31, 2021	**457.03**
Acquisition of a subsidiary (Note 56)	823.25
At March 31, 2022	**1,280.28**
Additions	-
At September 30, 2022	**1,280.28**

The Goodwill and intangible asset (other than computer software) is recognised at the time of acquisition of the Subsidiaries (Avon Logistics & Solutions Private Limited, Fusion Foods and Catering Private Limited, Matrix Business Services India Private Limited, Global Flight Handling Services Private Limited, Washroom Hygiene Concepts Private Limited and Denave India Private Limited) by the Group.

Impairment testing of goodwill and intangible assets with indefinite lives
The Group performed its annual impairment test for period and years ended September 30, 2022, March 31, 2022, March 31, 2021 and March 31, 2020. The Group considers cash flow statements, profitability, the external factors such as discount rate and growth rate etc, when reviewing for indicators of impairment.

The recoverable amount of the Investments has been determined based on Value in Use calculation using cash flow projections from financial budgets approved by the respective Board/ Senior management covering a four to five year period. The cash flow projections have been updated to reflect the impact of COVID-19. The pre-tax discount rate applied to cash flow projections for Impairment testing during the current period is 15% to 24% and cash flow beyond the terminal growth rate of 2% that is the same as the long term average growth rate for the industry in which the Group operates. It was concluded that the fair value less costs of disposal did not exceed the value in use and the recoverable amounts exceeded their carrying amount.

Key assumptions used for value in use calculations
a. Discount rates
b. Revenue and EBITDA growth rate in the forecast

b. Discount rates
Discount rate is estimated at pre tax rate that reflect current market assessment of time value of money and risks specific to the asset not adjusted in cash flows. For this purposes Company has arrived at appropriate debt/equity structure and computed Cost of equity and cost of debt using WACC which to fairly represents the pre tax rate required by the standard. Debt cost is considered basis of Company's ability to obtain loans at market interest rates considering its risk profile and country specific market conditions.

c. Revenue and EBITDA growth rate in the forecast
The forecasted revenues and EBITDA included in impairment calculations are developed using inputs from business teams. Specific past trends are assessed and analysed to compute the impact on the future projections after factoring into the existing and potential customer contracts etc.

(All amounts are in millions of Indian Rupees unless otherwise stated)

3A Other Intangible assets & Goodwill on consolidation (Continued)

On April 25, 2019, the Group acquired 75% equity ownership in Matrix Business Services Private Limited ("Matrix") by investing a total of ₹ 391.50 million as equity share capital. Matrix primarily engaged in the business of providing assurance services, claims processing, including employee background verification checks and product and process audits inter alia of warehouses, depots, distributors and distribution centres, retail points and outlets and franchisees. Investment recorded during the year includes ₹ 96.52 million on account of obligation to purchase the remaining equity shares in the future, recognised pursuant to the Shareholder's Agreement between the Group and the promoters of Matrix.

On September 5, 2019, the Group acquired 76% equity ownership in Washroom Hygiene Concepts Private Limited ("WHC") by investing a total of ₹ 152.00 million as equity share capital. WHC is primarily engaged in the business of providing washrrom sanitising services and hygiene solutions, primarily female hygiene solutions viz., sanitary napkin vending & disposal and supply of third party sanitary products. Investment recorded during the year includes ₹ 36.06 million on account of obligation to purchase the remaining equity shares in the future, recorgnised pursuant to the Shareholder's Agreement between the Group and the promoters of WHC.

On October 27, 2021, the Group acquired 52% equity ownership in Denave India Private Limited ("Denave") for a consideration of ₹ 629.96 millions. Denave is primarily engaged in the business of providing sales enablement and other support and staffing services. The total value of purchase consideration of ₹ 1,412.10 millions includes ₹ 782.15 millions on account of obligation to purchase the remaining equity shares (48%) in the future, pursuant to Shareholder's Agreement between the Group and the promoters of Denave.

Consequent to the future purchases, the Group will hold 100% of the equity shares of Matrix and Denave. The Group has elected not to recognise a non-controlling interest in Denave as the unacquired shares from the promoters of Denave are recognised as financial liabilities in the consolidated financial statements and consequently Denave is considered to be 100% owned by the Group for the purpose of consolidation.

Intangible assets out of acquisition during the year

Customer relationship

Customer contracts and related Customer relationships include intangible assets acquired through business combinations. It represents the relationship established by Denave with customers that are tied to them through a contract, as well as the potential extension of such contracts/additional relationships that would arise as a result of these contracts, and therefore, meet both the contractual/legal criteria and the separability criterion for recognition of an Intangible Asset under 'Ind AS 38 Intangible Assets'.
The income approach has been considered for arriving at the value of these intangible asset as defined in "Ind AS 113 Fair Value Measurement". The Company has ascertained the useful life as 6 years for the current year acquisition.

Non Compete

Non compete is based on a contractual agreement which protects the value of the purchased assets from Denave (both tangible and intangible) by restricting the respective promoters' competitive conduct post the respective investment dates and accordingly, meet both the contractual/legal criteria and separability criterion for recognition of an Intangible Asset under 'Ind AS 38 Intangible Assets'.

As per the investment agreements for Denave, the promoters have agreed to non-competence for a period of 3 years from the expiry of Contract of service or the promoters ceasing to hold any securities of Denave (i.e. after June 30, 2027). Thus effectively 5.5 years from the date of acquisition.

The income approach has been considered for arriving at the value of the intangible asset as defined in "Ind AS 113 Fair Value Measurement".

Brand

Brand includes intangible assets acquired through business combinations. Denave uses the brand "Denave" for its traditional as well as new businesses. The Group will continue to use the similar strategy in future for all its new generation businesses. The brand serves to create associations and expectations among products made Denave. This meets the legal criterion and the separability criterion for recognition of an Intangible Asset under 'Ind AS 38 Intangible Assets'.

The income approach has been considered for arriving at the value of the intangible asset as defined in "Ind AS 113 Fair Value Measurement". The intangible asset is considered having an indefinite useful life and will be assessed for impairment every year/period.

3B Capital work in progress (CWIP)

Capital work in progress (CWIP)	Amount
At April 1, 2019	**-**
Addition	-
Less: Capitalised during the year	-
At March 31, 2020	-
Addition	3.20
Less: Capitalised during the year	-
At March 31, 2021	**3.20**
Addition	41.24
Less: Capitalised during the year	(3.20)
At March 31, 2022	**41.24**
Addition	26.96
Less: Capitalised during the period	(19.43)
At September 30, 2022	**48.77**

Capital work in progress (CWIP) Ageing Schedule

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Capital Work in progress (Goods in Transit)					
As on September 30, 2022	48.77	-	-	-	48.77
As on March 31, 2022	41.24	-	-	-	41.24
As on March 31, 2021	3.20	-	-	-	3.20
As on March 31, 2020	-	-	-	-	-

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(All amounts are in millions of Indian Rupees unless otherwise stated)

4 Investments

	As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Investments at Cost				
9,999 (March 31, 2022 - 9,999; March 31, 2021 - 9,999; March 31, 2020 - 9,999) equity shares of Rs.10 each fully paid up in Updater Services (UDS) Foundation (Refer note 48)	0.10	0.10	0.10	0.10
Quoted Investments at Fair Value through Profit & Loss				
L&T Liquid Fund Direct Plan - Growth - Nil units (March 31, 2022: NIL; March 31, 2021: NIL; March 31, 2020 - 2,074.9 Units)	-	-	-	5.03
L&T Low Duration Fund Direct Plan - Growth - NIL units (March 31, 2022: NIL units; March 31, 2021: 816,851.04 units, March 31, 2020 - NIL units)	-	-	17.70	-
Baroda Short Term Bond Fund A/C - Nil units (March 31, 2022: NIL; March 31, 2021 - 555,288.30 units; March 31, 2020 - 704,489.949 units)	-	-	22.64	7.64
L&T Ultra short fund direct - Dividend reinvestment - Nil units (March 31, 2022 and March 31, 2021: NIL units; March 31, 2020 - 2,54,761.711)	-	-	-	2.67
	0.10	**0.10**	**40.44**	**15.44**
Non Current	0.10	0.10	0.10	0.10
Current	-	-	40.34	15.34
Aggregate value of investments	**0.10**	**0.10**	**40.44**	**15.44**

Current Market Price for the Above quoted investments as on the balance sheet date:	**Unit Balance**	**NAV as on March 31, 2021**	**Value as on March 31, 2021**
L&T Liquid Fund Direct Plan - Growth	-	-	-
L&T Low Duration Fund Direct Plan - Growth	8,16,851.04	22.89	18.70
Baroda Short Term Bond Fund - Plan B Growth	5,46,878.88	24.19	13.23
Baroda Ultra Short Duration Fund - Direct Plan Growth	8,409.42	1,203.16	10.04

Current Market Price for the Above quoted investments as on the balance sheet date:	**Unit Balance**	**NAV as on March 31, 2020**	**Value as on March 31, 2020**
L&T Liquid Fund Direct Plan - Growth	2,074.90	2,720.50	5.64
L&T Low Duration Fund Direct Plan - Growth	-	-	-
Baroda Short Term Bond Fund A/C	7,04,489.95	10.28	7.24
L&T Ultra short fund direct - Dividend reinvestment	2,54,761.71	21.67	5.52

5 Loans - Non-Current (At Amortised Cost)

	As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
(Considered good, Unsecured unless stated otherwise)				
Non- Current				
Loans to Employee				
- considered good	1.67	1.58	-	-
- credit impaired	-	-	-	-
	1.67	1.58	-	-
Less: Provision for doubtful loans	-	-	-	-
	1.67	**1.58**	**-**	**-**
Total Loans (at Amortized cost)	**1.67**	**1.58**	**-**	**-**

6 Other non current financial assets (At Amortised Cost)

	As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
(Considered good, Unsecured unless stated otherwise)				
Retention Deposits				
- considered good	7.71	12.45	27.75	10.44
- credit impaired	0.59	0.59	0.59	0.49
	8.30	13.04	28.34	10.93
- Impairment for doubtful deposits	(0.59)	(0.59)	(0.59)	(0.49)
	7.71	**12.45**	**27.75**	**10.44**
Rental Deposit				
- considered good	12.48	22.46	41.86	42.49
- credit impaired	3.08	2.70	3.04	3.04
	15.56	25.16	44.90	45.53
Less: Impairment for doubtful deposits	(3.08)	(2.70)	(3.04)	(3.04)
	12.48	**22.46**	**41.86**	**42.49**
Security Deposits				
- considered good	61.51	37.55	15.06	16.28
- credit impaired	3.20	-	-	-
	64.71	37.55	15.06	16.28
Less: Impairment for doubtful deposits	(3.20)	-	-	-
	61.51	**37.55**	**15.06**	**16.28**
Balances with Banks				
- in long term deposits with maturity more than 12 months	235.63	204.60	51.16	7.88
- Margin Money Deposits #	94.74	30.21	3.29	23.40
Total Other non current financial assets	**412.07**	**307.27**	**139.12**	**100.49**

Fixed deposits are under lien with various banks with respect to guarantees issued to third parties.

(All amounts are in millions of Indian Rupees unless otherwise stated)

7 **Other non current assets**	**As at September 30, 2022**	**As at March 31, 2022**	**As at March 31, 2021**	**As at March 31, 2020**
Balance with government authorities				
- considered good (Refer Note 46)	6.38	5.78	5.61	-
- credit impaired	-	-	-	4.43
	6.38	5.78	5.61	4.43
Less: Provision for doubtful advances	-	-	-	(4.43)
	6.38	**5.78**	**5.61**	**-**
Capital Advance				
- considered good	56.93	111.21	2.77	0.44
- credit impaired	0.54	0.96	4.43	4.43
	57.47	112.17	7.20	4.87
Less: Provision for doubtful advances	(0.54)	(0.96)	(4.43)	(4.43)
	56.93	**111.21**	**2.77**	**0.44**
Prepaid Expenses	3.01	1.69	0.55	0.60
Other advances	0.06	2.10	-	-
	66.38	**120.78**	**8.93**	**1.04**

8 **Inventories**	**As at September 30, 2022**	**As at March 31, 2022**	**As at March 31, 2021**	**As at March 31, 2020**
Raw materials	3.89	3.53	2.63	3.40
Stock-in-trade	28.36	44.65	36.32	47.04
Finished Goods	16.84	13.27	8.16	13.05
Consumables	1.29	1.81	3.03	2.81
	50.38	**63.26**	**50.14**	**66.30**

9 **Non-Current Tax Assets (Net)**	**As at September 30, 2022**	**As at March 31, 2022**	**As at March 31, 2021**	**As at March 31, 2020**
Advance income tax	1,318.39	1,262.29	1,309.43	1,241.40
Less: Provision for income taxes	(744.77)	(742.87)	(819.89)	(744.22)
	573.62	**519.42**	**489.54**	**497.18**

10 **Contract Assets - Non Current**	**As at September 30, 2022**	**As at March 31, 2022**	**As at March 31, 2021**	**As at March 31, 2020**
Reimbursement right of gratuity**	205.79	195.32	114.28	118.96
Less: Provision for doubtful reimbursement right of gratuity	-	(10.55)	(5.98)	-
	205.79	184.77	108.30	118.96
Unbilled revenue**	2.83	-	-	-
Less: Provision for doubtful unbilled revenue	-	-	-	-
	2.83	-	-	-
	208.62	**184.77**	**108.30**	**118.96**
Contract Assets - Current				
Reimbursement right of gratuity**	159.33	131.78	134.63	121.54
Less: Provision for doubtful reimbursement right of gratuity	(31.10)	-	-	-
	128.23	131.78	134.63	121.54
Unbilled revenue**	589.10	432.14	199.10	199.93
Less: Provision for doubtful unbilled revenue	(2.10)	(3.00)	(2.00)	(1.00)
	587.00	429.14	197.10	198.93
	715.23	**560.92**	**331.73**	**320.47**

Movement of Contract Assets	**As at September 30, 2022**	**As at March 31, 2022**	**As at March 31, 2021**	**As at March 31, 2020**
Opening Balance	**429.14**	**197.10**	**198.93**	**259.49**
Add: Addition during the year / period	591.93	432.14	199.10	199.93
Less: billed during the year / period	(429.14)	(197.10)	(198.93)	(259.49)
Less: Provision for expected credit losses	(2.10)	(3.00)	(2.00)	(1.00)
Closing Balance	**589.83**	**429.14**	**197.10**	**198.93**

**Classified as contract assets as the contractual right is conditional as the right to consideration is dependent on completion of contractual obligations. The Group has recognised gratuity liability and reimbursement right in respect of employees where there is contractual right to receive reimbursement from customers, pursuant to paragraph 116 of Ind AS - 19. Refer Note 42

11 **A. Trade Receivables (At Amortised Cost)**	**As at September 30, 2022**	**As at March 31, 2022**	**As at March 31, 2021**	**As at March 31, 2020**
Trade receivables	2,865.86	2,688.39	2,020.79	2,805.88
Trade receivable from related parties (Refer Note 48)	0.27	0.13	0.31	0.62
	2,866.13	**2,688.52**	**2,021.10**	**2,806.50**
Security details				
Considered good , Secured	-	-	-	-
Considered good , Unsecured	2,866.13	2,688.52	2,021.10	2,806.50
Trade Receivables which have significant increase in credit Risk	-	-	-	-
Trade Receivables - credit impaired	114.02	165.85	132.44	66.66
	2,980.15	**2,854.37**	**2,153.54**	**2,873.16**
Impairment allowance				
Unsecured, considered good	(2.05)	(1.78)	(2.48)	(2.54)
Trade Receivables - credit impaired	(111.97)	(164.07)	(129.96)	(64.12)
	(114.02)	**(165.85)**	**(132.44)**	**(66.66)**
Total Trade receivables	**2,866.13**	**2,688.52**	**2,021.10**	**2,806.50**

(All amounts are in millions of Indian Rupees unless otherwise stated)

11 A. Trade Receivables (At Amortised Cost) - [continued]

Trade Receivables Ageing as at September 30, 2022

	Outstanding for following periods from due date of payment						
	Curent but not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables – considered good	1,612.36	1,177.64	39.92	28.43	4.40	23.33	2,886.08
(ii) Undisputed Trade Receivables – credit impaired	2.60	5.83	21.79	16.05	10.61	17.19	74.07
(iii) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – credit impaired	-	-	4.83	0.14	2.05	12.98	20.00
	1,614.96	**1,183.47**	**66.54**	**44.62**	**17.06**	**53.50**	**2,980.15**

Trade Receivables Ageing as at March 31, 2022

	Outstanding for following periods from due date of payment						
	Curent but not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables – considered good	1,394.02	1,196.39	45.30	45.36	17.52	4.89	2,703.48
(ii) Undisputed Trade Receivables – credit impaired	-	16.86	34.62	40.28	27.58	8.35	127.69
(iii) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – credit impaired	-	6.87	0.03	2.66	1.49	12.15	23.20
	1,394.02	**1,220.12**	**79.95**	**88.30**	**46.59**	**25.39**	**2,854.37**

Trade Receivables Ageing as at March 31, 2021

	Outstanding for following periods from due date of payment						
	Curent but not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables – considered good	1,034.65	914.12	49.97	24.53	4.47	5.26	2,033.00
(ii) Undisputed Trade Receivables – credit impaired	-	51.21	15.68	16.87	3.82	2.47	90.05
(iii) Disputed Trade Receivables – considered good	-	7.11	-	-	-	-	7.11
(iv) Disputed Trade Receivables – credit impaired	0.38	-	9.43	2.02	7.31	4.24	23.38
	1,035.03	**972.44**	**75.08**	**43.42**	**15.60**	**11.97**	**2,153.54**

Trade Receivables Ageing as at March 31, 2020

	Outstanding for following periods from due date of payment						
	Curent but not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables – considered good	1,193.28	1,485.72	69.60	44.55	12.85	0.49	2,806.49
(ii) Undisputed Trade Receivables – credit impaired	-	15.16	7.44	18.32	0.92	0.01	41.85
(iii) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – credit impaired	-	3.39	0.92	12.73	3.55	4.23	24.82
	1,193.28	**1,504.27**	**77.96**	**75.60**	**17.32**	**4.73**	**2,873.16**

Movement for expected credit loss	**As at September 30, 2022**	**As at March 31, 2022**	**As at March 31, 2021**	**As at March 31, 2020**
Opening Balance	1.78	2.48	2.54	3.86
Provision for expected credit loss	0.27	(0.70)	(0.06)	(1.32)
Closing Balance	**2.05**	**1.78**	**2.48**	**2.54**

No trade or other receivables are due from Directors or other officers of the Group either severally or jointly with any other person. Trade receivables are non-interest bearing and are generally on terms of 0 to 90 days based on the type of the customer. For balances, terms and conditions relating to related parties, refer Note 48.

B. Unbilled Receivables

(At Amortised Cost)	**As at September 30, 2022**	**As at March 31, 2022**	**As at March 31, 2021**	**As at March 31, 2020**
Unbilled Receivables**	1,358.49	786.33	668.28	535.37
Total Trade Receivables Including Unbilled Receivables (A+B)	**4,224.62**	**3,474.85**	**2,689.38**	**3,341.87**

Unbilled Receivables Ageing as at September 30, 2022

	Outstanding for following periods from due date of payment						
	Curent but not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Unbilled Receivables - Considered Good	299.89	1,051.00	7.60	-	-	-	1,358.49
	299.89	**1,051.00**	**7.60**	-	-	-	**1,358.49**

(All amounts are in millions of Indian Rupees unless otherwise stated)

11 A. Trade Receivables (At Amortised Cost) - [continued]
Unbilled Receivables Ageing as at March 31, 2022

	Outstanding for following periods from due date of payment						
	Curent but not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Unbilled Receivables - Considered Good	186.18	599.77	0.38	-	-	-	786.33
	186.18	**599.77**	**0.38**	-	-	-	**786.33**

Unbilled Receivables Ageing as at March 31, 2021

	Outstanding for following periods from due date of payment						
	Curent but not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Unbilled Receivables - Considered Good	185.08	480.14	3.06	-	-	-	668.28
	185.08	**480.14**	**3.06**	-	-	-	**668.28**

Unbilled Receivables Ageing as at March 31, 2020

	Outstanding for following periods from due date of payment						
	Curent but not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Unbilled Receivables - Considered Good	1.60	527.29	6.48	-	-	-	535.37
	1.60	**527.29**	**6.48**	-	-	-	**535.37**

Movement of Unbilled Receivables	**As at September 30, 2022**	**As at March 31, 2022**	**As at March 31, 2021**	**As at March 31, 2020**
Opening Balance	786.33	668.28	535.37	411.79
Add: Addition during the year / period	1,369.24	792.33	668.28	535.37
Less: billed during the year / period	(786.33)	(668.28)	(535.37)	(411.79)
Less: Provision for expected credit losses	(10.75)	(6.00)	-	-
Closing Balance	**1,358.49**	**786.33**	**668.28**	**535.37**

**Classified as financial asset as right to consideration is unconditional upon passage of time

12 Cash and cash equivalents	**As at September 30, 2022**	**As at March 31, 2022**	**As at 31st March, 2021**	**As at 31st March, 2020**
(i) Balances with banks:				
- On current accounts	503.47	401.69	330.28	170.61
- deposits with original maturity of less than three months	779.82	170.82	115.25	-
Cash in hand	1.35	0.35	0.30	2.38
	1,284.64	**572.86**	**445.83**	**172.99**
For the purpose of statement of cashflows, cash and cash equivalents comprise the following:				
On current accounts	503.47	401.69	330.28	170.61
Deposits	779.82	170.82	115.25	-
Cash on hand	1.35	0.35	0.30	2.38
Total Cash and cash equivalents	**1,284.64**	**572.86**	**445.83**	**172.99**

12A Bank Balances other than cash and cash equivalents as above	**As at September 30, 2022**	**As at March 31, 2022**	**As at 31st March, 2021**	**As at 31st March, 2020**
Current				
- in long term deposits with maturity more than 3 months but less than 12 months	157.41	73.81	26.55	27.87
- Margin Money Deposit and earmarked balances with banks*	84.09	63.50	165.72	45.76
Total Bank balance other than cash and cash equivalents	**241.50**	**137.31**	**192.27**	**73.63**

*Fixed deposits is under lien with various banks in respect of guarantees issued to third parties. The earmarked balances represent advances received from Government for DDU GKY project and advances received are utilised only for the said project.

12B Changes in liabilities arising from financing activities	**As at September 30, 2022**	**As at March 31, 2022**	**As at 31st March, 2021**	**As at 31st March, 2020**
Borrowings:				
Opening Balance	**586.79**	**116.10**	**899.61**	**286.80**
Cash Inflows	5,567.53	8,832.00	194.71	3,168.38
Interest	42.50	44.91	24.80	69.52
Cash out flows	(4,498.68)	(8,406.22)	(1,003.02)	(2,625.09)
Closing Balance	**1,698.14**	**586.79**	**116.10**	**899.61**
Lease Liabilities:				
Opening Balance	**126.37**	**44.94**	**71.33**	**65.51**
Cash Inflows	-	-	-	-
New Leases and Interest	35.06	122.93	11.93	41.39
Cash out flows	(31.28)	(41.50)	(38.32)	(35.57)
Closing Balance	**130.15**	**126.37**	**44.94**	**71.33**

(All amounts are in millions of Indian Rupees unless otherwise stated)

13 Loans - Current (At Amortised Cost)	As at September 30, 2022	As at March 31, 2022	As at 31st March, 2021	As at 31st March, 2020
(Considered good, Unsecured unless stated otherwise)				
Loans to employees				
- considered good	6.40	6.27	4.45	1.75
- credit impaired	3.41	3.41	0.92	0.92
	9.81	9.68	5.37	2.67
Less: Provision for doubtful loans	(3.41)	(3.41)	(0.92)	(0.92)
	6.40	6.27	4.45	1.75
Total	**6.40**	**6.27**	**4.55**	**1.75**

Note: The company has not given any loans or advances to directors or KMPs.

14 Other current financial assets (At Amortised Cost)	As at September 30, 2022	As at March 31, 2022	As at 31st March, 2021	As at 31st March, 2020
(Considered good, Unsecured unless stated otherwise)				
Advances recoverable in cash				
- considered good	1.04	-	-	-
- credit impaired	0.27	0.20	-	-
	1.31	0.20	-	-
Less: Provision for doubtful advances	(0.27)	(0.20)	-	-
	1.04	**-**	**-**	**-**
Interest accrued				
- considered good	6.18	6.68	5.60	2.24
- credit impaired	-	-	-	-
	6.18	6.68	5.60	2.24
Less: Impairment for Interest accrued	-	-	-	-
	6.18	**6.68**	**5.60**	**2.24**
Security deposits				
- considered good	39.83	43.79	36.41	41.30
- credit impaired	10.47	7.11	7.14	7.07
	50.30	50.90	43.55	48.37
Less: Provision for doubtful deposits	(10.47)	(7.11)	(7.14)	(7.07)
	39.83	**43.79**	**36.41**	**41.30**
Rental Deposit				
- considered good	38.98	38.88	16.18	5.99
- credit impaired	-	-	-	-
	38.98	**38.88**	**16.18**	**5.99**
Total	**86.03**	**89.35**	**58.19**	**49.53**

15 Other current assets	As at September 30, 2022	As at March 31, 2022	As at 31st March, 2021	As at 31st March, 2020
Prepaid expenses	84.48	66.10	61.12	77.20
Balance with government authorities				
- considered good	82.97	48.15	27.91	34.95
- credit impaired	4.16	4.16	4.16	4.16
	87.13	52.31	32.07	39.11
Less: Provision for doubtful advances	(4.16)	(4.16)	(4.16)	(4.16)
	82.97	**48.15**	**27.91**	**34.95**
Advances for supply of goods				
- considered good	57.03	19.59	8.69	10.06
- credit impaired	16.14	17.65	19.45	21.69
	73.17	37.24	28.14	31.75
Less: Provision for doubtful advances for supply of goods	(16.14)	(17.65)	(19.45)	(21.69)
	57.03	**19.59**	**8.69**	**10.06**
Advances to employees				
- considered good	27.35	11.43	5.48	7.25
- credit impaired	2.52	2.52	4.38	4.38
	29.87	13.95	9.86	11.63
Less: Provision for doubtful advances	(2.52)	(2.52)	(4.38)	(4.38)
	27.35	**11.43**	**5.48**	**7.25**
Other Advances	4.13	2.67	-	0.17
Total	**255.96**	**147.94**	**103.20**	**129.63**

16 Deferred tax asset (Net)	As at September 30, 2022	As at March 31, 2022	As at 31st March, 2021	As at 31st March, 2020
Property, plant & equipment and Intangible assets	90.43	45.22	70.12	50.69
Lease Liabilities	0.95	0.70	(0.48)	-
Provision for impairment of doubtful trade receivables	65.04	119.65	96.30	65.35
Provision for doubtful advances	44.82	73.49	11.07	14.07
Provision for gratuity	118.83	102.48	82.41	66.32
Provision for compensated absences	22.78	18.10	28.97	25.38
Expenses allowable on payment basis	142.01	102.35	87.69	80.10
Others	14.28	11.85	5.04	0.71
Deferred tax asset (Net)	**499.14**	**473.84**	**381.12**	**302.62**
Opening balance (Deferred tax asset)	**473.84**	**381.12**	**302.62**	**261.64**
Opening balance (Deferred tax liabilities)	**(108.48)**	**(25.56)**	**(31.07)**	**-**
Tax Expense during the year / period recognised in Statement of Profit and Loss	40.84	60.78	86.17	32.08
Deferred tax on acquisitions (Refer Note 56)	-	(55.27)	-	(24.96)
Movement in MAT credit balance (adjusted in tax provisions)	0.09	(1.22)	-	1.25
Tax (Income) / Expense during the year recognised in OCI	(3.15)	5.51	(2.16)	1.54
Closing balance (Net)	**403.14**	**365.36**	**355.56**	**271.55**
Closing balance (Deferred tax asset)	**499.14**	**473.84**	**381.12**	**302.62**
Closing balance (Deferred tax liabilities) (Refer Note 25)	**(96.00)**	**(108.48)**	**(25.56)**	**(31.07)**

(All amounts are in millions of Indian Rupees unless otherwise stated)

17 Equity share capital

Particulars	As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Authorised				
53,000,000 (March 31, 2022: 53,000,000, March 31, 2021: 53,000,000, March 31, 2020: 53,000,000) equity shares of Rs 10 each	**530.00**	**530.00**	**530.00**	**530.00**
Issued, subscribed and paid up				
52,817,479 (March 31, 2022: 52,817,479, March 31, 2021: 52,817,479, March 31, 2020: 52,817,479) equity shares of Rs 10 each fully paid up	**528.18**	**528.18**	**528.18**	**528.18**

a) Reconciliation of shares outstanding at the beginning and at the end of the reporting period

(i) No. of Shares:

Particulars	As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Equity shares				
At the beginning of the period / year	5,28,17,479	5,28,17,479	5,28,17,479	5,28,17,479
Add: Shares issued during the period / year	-	-	-	-
Outstanding at the end of the period / year	**5,28,17,479**	**5,28,17,479**	**5,28,17,479**	**5,28,17,479**

(ii) Amount of Share Capital:

Particulars	As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Equity shares				
At the beginning of the period / year	528.18	528.18	528.18	528.18
Add: Shares issued during the period / year	-	-	-	-
Outstanding at the end of the period / year	**528.18**	**528.18**	**528.18**	**528.18**

b) Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares dividend in Indian Rupees. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, equity share holders will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

During the financial year 2016-17, the Company has issued equity shares to India Business Excellence Fund – II and India Business Excellence Fund – IIA ("Investors"). The Investors have been provided with certain exit rights after a predetermined period (viz. IPO / Exit Trade Sale / Strategic Sale Right as defined in the share purchase agreement) by the Company and other Shareholders.

c) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the

As at March 31, 2021

Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
Equity shares allotted as fully paid bonus shares by capitalization of securities premium	-	-	-	-	395.21
Equity shares bought back by the company	-	-	-	-	20.75

As at March 31, 2020

Particulars	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Equity shares allotted as fully paid bonus shares by capitalization of securities premium	-	-	-	395.21	-
Equity shares bought back by the company	-	-	-	20.75	-

d) Details of shareholders holding more than 5% shares in the company

Name of shareholder	As at September 30, 2022		As at March 31, 2022	
	No. of shares held	% of holding	No. of shares held	% of holding
Equity shares of Rs. 10 each fully paid				
Raghunandana Tangirala	1,63,77,702	31.01%	1,63,77,702	31.01%
Shanthi Tangirala	1,62,37,705	30.74%	1,62,37,705	30.74%
Tangi Facility Solutions Private Limited	1,11,73,440	21.15%	1,11,73,440	21.15%
India Business Excellence Fund – II	28,89,161	5.47%	28,89,161	5.47%
India Business Excellence Fund – IIA	61,39,468	11.63%	61,39,468	11.63%
Total	**5,28,17,476**	**100.00%**	**5,28,17,476**	**100.00%**

Name of shareholder	As at March 31, 2021		As at March 31, 2020	
	No. of shares held	% of holding	No. of shares held	% of holding
Equity shares of Rs. 10 each fully paid				
Raghunandana Tangirala	1,63,77,705	31.01%	1,62,37,705	30.74%
Shanthi Tangirala	1,62,37,705	30.74%	1,62,37,705	30.74%
Tangi Facility Solutions Private Limited	1,11,73,440	21.15%	1,13,13,440	21.42%
India Business Excellence Fund – II	28,89,161	5.47%	28,89,161	5.47%
India Business Excellence Fund – IIA	61,39,468	11.63%	61,39,468	11.63%
Total	**5,28,17,479**	**100.00%**	**5,28,17,479**	**100.00%**

As per records of the company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

(All amounts are in millions of Indian Rupees unless otherwise stated)

Shares reserved for issue under options
For details of shares reserved for issue under the Share based payment plan of the company, please refer note 44.

Promoter's & Promoter Group Shareholding

Promoter Name	No. of shares at the beginning of the period	Change during the period	No. of shares at the end of the period	% of Total Shares	% change during the period
As at September 30, 2022					
Raghunandana Tangirala (Promoter)	1,63,77,702	-	1,63,77,702	31.01%	0.00%
Shanthi Tangirala (Promoter)	1,62,37,705	-	1,62,37,705	30.74%	0.00%
Tangi Facility Solutions Private Limited (Promoter Group)	1,11,73,440	-	1,11,73,440	21.15%	0.00%
As at March 31, 2022					
Raghunandana Tangirala (Promoter)	1,63,77,705	(3)	1,63,77,702	31.01%	0.00%
Shanthi Tangirala (Promoter)	1,62,37,705	-	1,62,37,705	30.74%	0.00%
Tangi Facility Solutions Private Limited (Promoter Group)	1,11,73,440	-	1,11,73,440	21.15%	0.00%
As at March 31, 2021					
Raghunandana Tangirala (Promoter)	1,62,37,705	1,40,000	1,63,77,705	31.01%	0.27%
Shanthi Tangirala (Promoter)	1,62,37,705	-	1,62,37,705	30.74%	0.00%
Tangi Facility Solutions Private Limited (Promoter Group)	1,13,13,440	(1,40,000)	1,11,73,440	21.15%	(0.27%)
As at March 31, 2020					
Raghunandana Tangirala (Promoter)	1,62,37,705	-	1,62,37,705	31.01%	0.00%
Shanthi Tangirala (Promoter)	1,62,37,705	-	1,62,37,705	30.74%	0.00%
Tangi Facility Solutions Private Limited (Promoter Group)	1,13,13,440	-	1,13,13,440	21.15%	0.00%

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(All amounts are in millions of Indian Rupees unless otherwise stated)

18 Other equity

	As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Retained earnings	2,440.91	2,227.14	1,683.62	1,235.14
Capital redemption reserve	20.75	20.75	20.75	20.75
General Reserve	26.60	26.60	26.60	17.27
Employee stock option reserve (Refer Note 44)	48.08	42.17	34.05	32.56
Foreign Currency Translation Reserve	(4.82)	-	-	-
Securities premium	559.43	559.43	559.43	559.43
Total other equity	**3,090.95**	**2,876.09**	**2,324.45**	**1,865.15**

Retained Earnings

Particulars	Amount
Balance as at April 1, 2019 as per audited consolidated Financial Statements	**973.65**
Less: Impact on account of prior period errors	(32.99)
Restated Balance as at April 1, 2019	**940.66**
Restated Profit for the year	331.80
Restated other Comprehensive Income / (Loss)	(13.68)
Effect of adoption of Ind AS 116	(21.41)
Transfer to General Reserve	(2.23)
Balance as at March 31, 2020	**1,235.14**
Restated Profit for the year	450.34
Restated Other Comprehensive Income / (Loss)	7.47
Transfer to General Reserve	(9.33)
Balance as at March 31, 2021	**1,683.62**
Restated Profit for the year	552.91
Restated Other Comprehensive Income / (Loss)	(27.16)
Reversal of Reserves to NCI on acquisition of minority shares	25.52
Income tax on buyback of equity shares	(7.75)
Balance as at March 31, 2022	**2,227.14**
Restated Profit for the period	202.09
Restated Other Comprehensive Income / (Loss)	11.68
Balance as at September 30, 2022	**2,440.91**

Capital Redemption Reserve

Particulars	Amount
Balance as at April 1, 2019	**20.75**
Changes during the year	-
Balance as at March 31, 2020	**20.75**
Changes during the year	-
Balance as at March 31, 2021	**20.75**
Changes during the year	-
Balance as at March 31, 2022	**20.75**
Changes during the period	-
Balance as at September 30, 2022	**20.75**

General Reserve

Particulars	Amount
Balance as at April 1, 2019	**15.04**
Add: Transfer from Retained earnings	2.23
Balance as at March 31, 2020	**17.27**
Add: Transfer from Retained earnings	9.33
Balance as at March 31, 2021	**26.60**
Add: Transfer from Retained earnings	-
Balance as at March 31, 2022	**26.60**
Add: Transfer from Retained earnings	-
Balance as at September 30, 2022	**26.60**

(All amounts are in millions of Indian Rupees unless otherwise stated)

Employee stock option reserve

Particulars	Amount
Balance as at April 1, 2019	**-**
Add: Employee stock options provided	32.56
Balance as at March 31, 2020	**32.56**
Add: Employee stock options provided	1.49
Balance as at March 31, 2021	**34.05**
Add: Employee stock options provided	8.12
Balance as at March 31, 2022	**42.17**
Add: Employee stock options provided	5.91
Balance as at September 30, 2022	**48.08**

Securities Premium

Particulars	Amount
Balance as at April 1, 2019	**559.43**
Changes during the year	-
Balance as at March 31, 2020	**559.43**
Changes during the year	-
Balance as at March 31, 2021	**559.43**
Changes during the year	-
Balance as at March 31, 2022	**559.43**
Changes during the period	-
Balance as at September 30, 2022	**559.43**

Foreign Currency Translation Reserve

Particulars	Amount
Balance as at April 1, 2019	**-**
Changes during the year	-
Balance as at March 31, 2020	**-**
Changes during the year	-
Balance as at March 31, 2021	**-**
Changes during the year	-
Balance as at March 31, 2022	**-**
Changes during the period	(4.82)
Balance as at September 30, 2022	**(4.82)**

Nature and purpose of reserves

(i) Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

(ii) Capital redemption reserve

The Group has recognised Capital Redemption Reserve on buy-back of equity shares from its retained earnings. The amount in Capital Redemption Reserve is equal to nominal amount of the equity shares bought back. The Group can utilize the same for the purpose of issue of fully paid-up bonus shares to its members.

(iii) General reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Group for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

(iv) Employee stock option reserve

Under Ind AS 102, fair value of the options granted is to be expensed out over the life of the vesting period as employee compensation costs reflecting period of receipt of service.

v) Retained Earnings

The amount that can be distributed by the Group as dividends to its equity shareholders is determined based on the financial statements of the Group and also considering the requirements of the Companies Act, 2013. Thus, the amounts reported above may not be distributable in entirety.

vi) Foreign Currency Translation Reserve

The exchange differences arising from the translation of financial statements of foreign step subsidiaries with functional currency other than the Indian Rupee have been reported as foreign currency translation reserve in the consolidated statement of changes in equity.

(All amounts are in millions of Indian Rupees unless otherwise stated)

19 Non Controlling Interest

Particulars	As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Non Controlling Interest	53.10	53.09	69.28	45.44
Total Other Equity (Note 18 + Note 19)	**3,144.05**	**2,929.18**	**2,393.73**	**1,910.59**

Movement of NCI

Particulars	Amount
At April 1, 2019	**44.22**
Restated total comprehensive Income	1.22
At March 31, 2020	**45.44**
Restated total comprehensive Income	23.84
At March 31, 2021	**69.28**
Restated Total comprehensive Income	20.77
Reversal of Reserves to NCI on acquisition of minority shares	(25.52)
Additional investment by NCI	1.69
Buyback of Equity Shares along with distribution Income Tax	(13.13)
At March 31, 2022	**53.09**
Restated Total comprehensive Income	0.01
At September 30, 2022	**53.10**

20A Borrowings (Non-current)

Particulars	As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
(At amortised cost)				
Term loans from banks	195.28	-	-	0.09
Total Non-current borrowings	**195.28**	**-**	**-**	**0.09**

Updater Services Limited

During the period ended September 30, 2022, the Holding Company has taken a Term Loan facility at an interest rate of 7.15% p.a.. These facilities are secured by way of charge on certain movable fixed assets of the company and second charge on current assets of the company. This facility is repayable by way of 48 equal monthly instalments. The amount repayable within the next 12 months is shown as current borrowings and the balance is shown as non-current borrowings.

Fusion Foods & Catering Private Limited

The Vehicle loans of the subsidiary were secured by the hypothecation of respective vehicles and repayable over a period not exceeding five years carrying interest rate of NIL (March 31, 2022: NIL; March 31, 2021: NIL; March 31, 2020: 10.24%)

20B Borrowings (Current) (At Amortised Cost)

Particulars	As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at 31st March, 2020
Cash credit from banks (secured)*	80.03	14.64	44.78	898.20
Working capital loan (secured)**	1,002.34	572.15	70.00	-
Current Maturities of Long Term Loans (secured) ****	70.49	-	-	-
Short Term Revolving Loan (secured) ***	350.00	-	-	-
Loan from Others #	-	-	1.32	1.32
Total Current borrowings	**1,502.86**	**586.79**	**116.10**	**899.52**

Updater Services Limited

* The Holding Company has taken cash credit having interest rate ranging from 7% to 13.70% p.a. (March 31, 2022: 7% to 13.75% p.a.; March 31, 2021: 6.6% to 10.50% p.a.; March 31, 2020: 8% to 12% p.a.) These facilities are repayable on demand and are secured primarily by way of pari passu first charge on the entire current assets of the Holding Company on both present and future and collateral by way of pari passu first charge on the entire movable assets of the Holding Company both present and future of the Holding Company.

** The Holding Company has taken working capital loan from banks having interest rate ranging from 4.46% to 7.90% p.a. (March 31, 2022: 4.46% to 7.90% p.a.; March 31, 2021: 4.9% to 8.50% p.a.; March 31, 2020: NIL) These facilities are repayable within 28 - 87 days and are secured primarily by way of pari passu first charge on the entire current assets of the Holding Company on both present and future and collateral by way of pari passu first charge on the entire movable assets of the Holding Company.

*** The Holding Company has taken a short term revolving loan with an interest rate ranging from 8.15% to 8.50% p.a. These facilities are repayable within 12 months and are secured primarily by way of First Pari Passu Charge over Present and Future Current Assets (Inventory and Book Debt) & First Pari Passu Charge on Movable Fixed Assets (excluding those exclusively charged to term lenders of the borrower).

****During the period ended September 30, 2022, the Holding Company has taken a Term Loan facility at an interest rate of 7.15% p.a.. These facilities are secured by way of charge on certain movable fixed assets of the company and second charge on current assets of the company. This facility is repayable by way of 48 equal monthly instalments. The amount repayable within the next 12 months is shown as current borrowings and the balance is shown as non-current borrowings.

(All amounts are in millions of Indian Rupees unless otherwise stated)

#Global Flight Handling Services Private Limited had obtained an interest free loan from a director repayable on demand.

Avon Solutions & Logistics Private Limited

Current borrowings of Avon refer to overall facility availed from HDFC and Kotak bank until the previous years. During the period ended September 30, 2022, there were no borrowings (Interest rate range - March 31, 2022: 8.60% to 10.10%; March 31, 2021: 11.15%; March 31, 2020: 11.75%). The overdraft facility limits to NIL and the same is secured by lien on fixed deposits of NIL (March 31, 2022: ₹ 20.05 million and 15.5 million; March 31, 2021: NIL; March 31, 2020: ₹ 10 million and ₹ 7.8 million).

The summary of differences noted in quarterly statements filed by the Holding Company with banks are as follows:

As at September 30, 2022:

Quarterly statement Period (Refer below Note 1)	Bank Name	Amount as per books of accounts	Amount as reported in the quarterly statement	Difference (Refer below Note 2)
Debtors				
30-Jun-22	All Banks	2,721.48	3,046.41	(324.93)
30-Sep-22	Citi Bank	2,866.53	3,386.60	(520.07)
30-Sep-22	All other Banks	2,866.53	3,399.90	(533.37)
Creditors				
30-Jun-22	All Banks	233.21	66.18	167.03
30-Sep-22	All Banks	271.76	153.80	117.96
Sales				
30-Jun-22	All Banks	2,974.45	2,975.50	(1.05)
30-Sep-22	All Banks	6,230.53	6,189.40	41.13
Purchases				
30-Jun-22	ICICI Bank	88.04	1,600.00	(1,511.96)
30-Sep-22	ICICI Bank	514.20	5,499.00	(4,984.80)
Borrowing				
30-Jun-22	ICICI Bank	1,005.08	920.00	85.08
30-Sep-22	ICICI Bank	1,698.15	920.00	778.15
30-Sep-22	Citi Bank, DBS Bank, HDFC, SCB	1,698.15	1,441.20	256.95
30-Sep-22	Kotak Mahindra Bank	1,698.15	1,084.00	614.15

Note :

1. The Holding Company has submitted quarterly returns to the banks in respect of borrowings taken against the security of current assets. These quarterly returns are submitted to HDFC Bank, ICICI Bank, SCB Bank, Citi Bank, DBS Bank and Kotak Mahindra Bank.

2. The discrepancy in respect of debtors, creditors, sales for the period, purchases for the period and borrowings for the period for the 2 quarters were attributable to the Company's financial closure process being not fully completed at the time of filing quarterly statements.

As at March 31, 2022:

Quarterly statement Period (Refer below Note 1)	Bank Name	Amount as per books of accounts	Amount as reported in the quarterly statement	Difference (Refer below Note 2)
Debtors				
30-Jun-21	All Banks	1,737.85	2,414.39	(676.54)
30-Sep-21	All Banks	2,790.08	2,782.76	7.32
31-Dec-21	All Banks	2,206.23	2,990.16	(783.93)
31-Mar-22	All Banks	1,744.49	2,849.44	(1,104.95)
Creditors				
30-Jun-21	All Banks	229.42	160.00	69.42
30-Sep-21	All Banks	135.06	160.00	(24.94)
31-Dec-21	All Banks	191.23	160.00	31.23
31-Mar-22	All Banks	248.38	160.00	88.38
Sales				
30-Jun-21	All Banks	2,530.62	2,480.30	50.32
30-Sep-21	All Banks	5,112.87	5,100.34	12.53
31-Dec-21	All Banks	7,861.71	7,779.21	82.50
31-Mar-22	All Banks	10,706.73	10,622.70	84.03
Purchases				
30-Jun-21	ICICI	162.07	135.00	27.07
30-Sep-21	ICICI	362.98	260.00	102.98
31-Dec-21	ICICI	546.27	320.00	226.27
31-Mar-22	ICICI	822.03	320.00	502.03

(All amounts are in millions of Indian Rupees unless otherwise stated)

Quarterly statement Period (Refer below Note 1)	Bank Name	Amount as per books of accounts	Amount as reported in the quarterly statement	Difference (Refer below Note 2)
Borrowing				
30-Jun-21	All Banks	364.98	194.10	170.88
30-Sep-21	All Banks	953.07	95.33	857.74
31-Dec-21	All Banks	940.34	94.04	846.30
31-Mar-22	All Banks	570.00	57.00	513.00

Note :

1. The Holding Company has submitted quarterly returns to the banks in respect of borrowings taken against the security of current assets. These quarterly returns are submitted to HDFC Bank, ICICI Bank, SCB Bank, Citi Bank, DBS Bank and Kotak Mahindra Bank.

2. The discrepancy in respect of borrowings outstanding reported for the quarter ending September 30, 2021, December 30, 2021 and March 31, 2022, was attributable to clerical errors while the discrepancies in respect of debtors, creditors, sales for the period, purchases for the period for all the quarters and borrowings for quarter ending June 30, 2021 were attributable to the Holding Company's financial closure process being not fully completed at the time of filing quarterly statements. The Holding Company has subsequent to year end, re-submitted the above statements to the respective bank during December 2022.

As at March 31, 2021:

Quarterly statement Period (Refer below Note 1)	Bank Name	Amount as per books of accounts	Amount as reported in the quarterly statement	Difference (Refer below Note 2)
Debtors				
30-Jun-20	All Banks	2,479.22	2,488.64	(9.42)
30-Sep-20	All Banks	2,679.31	2,618.03	61.28
31-Dec-20	All Banks	2,985.04	2,807.74	177.30
31-Mar-21	All Banks	1,634.66	2,452.05	(817.39)
Creditors				
30-Jun-20	All Banks	229.58	160.00	69.58
30-Sep-20	All Banks	258.43	125.00	133.43
31-Dec-20	All Banks	290.01	140.00	150.01
31-Mar-21	All Banks	210.37	160.00	50.37
Sales				
30-Jun-20	All Banks	2,344.12	2,264.69	79.43
30-Sep-20	All Banks	4,863.83	4,833.30	30.53
31-Dec-20	All Banks	7,471.96	7,471.60	0.36
31-Mar-21	All Banks	9,987.18	9,980.00	7.18
Purchases*				
31-Dec-20	ICICI	565.18	645.00	(79.82)
31-Mar-21	ICICI	678.72	970.00	(291.28)
Borrowing				
30-Jun-20	All Banks	220.00	218.80	1.20
31-Dec-20	ICICI	340.00	290.00	50.00
31-Mar-21	ICICI	114.76	106.49	8.27

Note :

1. The Holding Company has submitted quarterly returns to the banks in respect of borrowings taken against the security of current assets. These quarterly returns are submitted to HDFC Bank, ICICI Bank, SCB Bank, Citi Bank, DBS Bank and Kotak Mahindra Bank.

2. The discrepancy in respect of debtors, creditors, borrowing, purchase and sales reported for the quarter ending June 30, 2020, September 30, 2020, December 30, 2020 and March 31, 2021, were attributable to the Holding Company's financial closure process being not fully completed at the time of filing quarterly statements.

* ICICI bank had requested to submit the purchases details as part of quarterly submission from December 2020 quarter onwards.

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(All amounts are in millions of Indian Rupees unless otherwise stated)

As at March 31, 2020:

Quarterly statement Period (Refer below Note 1)	Bank Name	Amount as per books of accounts	Amount as reported in the quarterly statement	Difference (Refer below Note 2)
Debtors				
30-Jun-19	All Banks	2,479.22	2,503.31	(24.09)
30-Sep-19	All Banks	2,679.31	2,707.23	(27.92)
31-Dec-19	Kotak	2,985.04	3,013.45	(28.41)
31-Dec-19	Other Banks	2,985.04	3,014.05	(29.01)
31-Mar-20	Kotak, Citi, DBS, HDFC	2,441.67	1,991.17	450.50
31-Mar-20	SCB, ICICI	2,441.67	3,034.16	(592.49)
Creditors				
30-Jun-19	All Banks	132.77	140.00	(7.23)
30-Sep-19	All Banks	137.37	152.00	(14.63)
31-Dec-19	All Banks	130.39	152.50	(22.11)
31-Mar-20	All Banks	168.23	150.00	18.23
Sales				
30-Jun-19	All Banks	2,471.00	2,515.50	(44.50)
30-Sep-19	Kotak	5,097.01	5,150.00	(52.99)
30-Sep-19	Other Banks	5,097.01	2,264.69	2,832.32
31-Dec-19	All Banks	7,953.79	7,823.40	130.39
31-Mar-20	All Banks	10,937.90	10,700.00	237.90
Borrowing				
30-Jun-19	All Banks	580.53	577.00	3.53
30-Sep-19	All Banks	615.35	514.20	101.15
31-Mar-20	All Banks	885.50	961.30	(75.80)

Note :

1. The Holding Company has submitted quarterly returns to the banks in respect of borrowings taken against the security of current assets. These quarterly returns are submitted to HDFC Bank, ICICI Bank, SCB Bank, Citi Bank, DBS Bank and Kotak Mahindra Bank.

2. The discrepancy in respect of debtors, creditors, borrowing, purchase and sales reported for the quarter ending June 30, 2019, September 30, 2019, December 30, 2019 and March 31, 2020, were attributable to the Holding Company's financial closure process being not fully completed at the time of filing quarterly statements.

		As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
21A	**Net Employee defined benefit liabilities (Non-Current)**				
	Provision for Gratuity (Refer Note 42)	304.95	290.64	225.36	204.52
	Provision for gratuity - reimbursement employees (Refer Note 42)	206.89	197.36	114.28	118.96
		511.84	**488.00**	**339.64**	**323.48**
21B	**Net Employee defined benefit liabilities (Current)**				
	Provision for gratuity (Refer Note 42)	81.87	98.03	39.12	26.83
	Provision for gratuity - reimbursement employees (Refer Note 42)	106.85	94.42	134.64	121.54
		188.72	**192.45**	**173.76**	**148.37**

		As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at 31st March, 2020
22	**Trade payables (At Amortised Cost)**				
	Dues to micro enterprises and small enterprises	101.46	57.75	38.88	76.98
	Total outstanding dues of micro enterprises and small enterprises	**101.46**	**57.75**	**38.88**	**76.98**
	Dues to Related Party (Refer note 48)	9.06	3.01	-	6.96
	Dues to other than micro enterprises and small enterprises	561.20	396.03	279.65	285.37
	Total outstanding dues of creditors other than micro enterprises and small enterprises	**570.26**	**399.04**	**279.65**	**292.33**
	Total trade payables	**671.72**	**456.79**	**318.53**	**369.31**

(All amounts are in millions of Indian Rupees unless otherwise stated)

Trade payables Ageing Schedule As at September 30, 2022	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	4.83	46.32	3.92	2.14	2.17	59.38
Total outstanding dues of creditors other than micro enterprises and small enterprises	45.16	266.38	4.39	4.51	44.94	365.38
Disputed dues of micro enterprises and small enterprises	-	-	-	-	0.37	0.37
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	6.51	6.51
Total	**49.99**	**312.70**	**8.31**	**6.65**	**53.99**	**431.64**

Unbilled Trade payables Ageing Schedule As at September 30, 2022	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	42.23	25.84	1.02	-	0.02	69.11
Total outstanding dues of creditors other than micro enterprises and small enterprises	111.81	53.67	3.21	-	-	168.69
Disputed dues of micro enterprises and small enterprises	-	-	-	2.28	-	2.28
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
	154.04	**79.51**	**4.23**	**2.28**	**0.02**	**240.08**

Trade payables Ageing Schedule As at March 31, 2022	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	2.51	39.82	2.18	1.57	0.52	46.60
Total outstanding dues of creditors other than micro enterprises and small enterprises	114.51	150.98	9.98	5.30	8.65	289.42
Disputed dues of micro enterprises and small enterprises	-	-	-	-	0.37	0.37
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	6.50	6.50
Total	**117.02**	**190.80**	**12.16**	**6.87**	**16.04**	**342.89**

Unbilled Trade payables Ageing Schedule As at March 31, 2022	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	10.47	17.19	2.09	-	-	29.75
Total outstanding dues of creditors other than micro enterprises and small enterprises	34.79	48.88	0.48	-	-	84.15
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
	45.26	**66.07**	**2.57**	**-**	**-**	**113.90**

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(All amounts are in millions of Indian Rupees unless otherwise stated)

Trade payables Ageing Schedule As at March 31, 2021	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	0.96	37.23	3.11	0.50	0.28	42.08
Total outstanding dues of creditors other than micro enterprises and small enterprises	29.54	163.20	9.80	10.05	21.22	233.81
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	12.00	-	-	-	12.00
Total	**30.50**	**212.43**	**12.91**	**10.55**	**21.50**	**287.89**

Unbilled Trade payables Ageing Schedule As at March 31, 2021	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	-	2.33	-	-	-	2.33
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	28.31	-	-	-	28.31
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
	-	**30.64**	-	-	-	**30.64**

Trade payables Ageing Schedule As at March 31, 2020	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	15.02	59.60	0.67	0.32	1.12	76.73
Total outstanding dues of creditors other than micro enterprises and small enterprises	35.25	177.59	13.00	14.47	10.07	250.38
Disputed dues of micro enterprises and small enterprises	-	0.20	0.06	-	-	0.26
Disputed dues of creditors other than micro enterprises and small enterprises	-	2.05	1.47	0.17	0.11	3.80
Total	**50.27**	**239.44**	**15.20**	**14.96**	**11.30**	**331.17**

Unbilled Trade payables Ageing Schedule As at March 31, 2020	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	34.30	3.70	0.14	-	-	38.14
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
	34.30	**3.70**	**0.14**	-	-	**38.14**

Trade payables are non-interest bearing and are normally settled on 30 to 60 day term. For terms and conditions relating to related parties, refer Note 48.

23A	Other non current financial liabilities (At Fair Value Through Profit or Loss - FVTPL)	As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at 31st March, 2020
	Liability payable to promoters of acquired subsidiary *	506.68	804.14	84.48	136.35
		506.68	**804.14**	**84.48**	**136.35**

* Represents amount payable to promoters of subsidiaries towards unacquired shares from the promoters of subsidiaries consequent to share purchase agreement entered. (Refer Note 56 for further details)

(All amounts are in millions of Indian Rupees unless otherwise stated)

23B	**Other current financial liabilities**	**As at September 30, 2022**	**As at March 31, 2022**	**As at March 31, 2021**	**As at 31st March, 2020**
	(At Amortised Cost)				
	Capital creditors *	30.95	36.20	4.71	4.72
	Employee benefits payable	1,129.61	1,080.85	750.35	715.10
	Security Deposit	0.02	0.93	0.90	0.90
	Bonus payable	527.52	402.91	332.50	293.59
	Director fees payable	-	-	-	1.08
	Other payables	31.55	1.73	1.64	1.69
	(At Fair Value Through Profit or Loss - FVTPL)				
	Liability payable to promoters of acquired subsidiary #	829.81	257.96	84.21	87.50
	Total other financial liabilities	**2,549.46**	**1,780.58**	**1,174.31**	**1,104.58**

* Includes as amount of NIL (March 31, 2022: ₹ 2.79 million; March 31, 2021: ₹ 0.21 million; March 31, 2020: ₹ 0.31 million) payable to Micro enterprises and small enterprises.

During the year ended March 31, 2020 the Holding Company has acquired 75% stake in Matrix Business Services India Private Limited at an agreed price of ₹ 391.50 million from the promoters of Matrix and 76% stake in Washroom Hygiene Solutions Private Limited at an agreed price of ₹ 152.00 million. As per the Shareholder's Agreement between Holding Company, these two companies and its erstwhile promoters, the Holding Company has an obligation to purchase the remaining shares held by the promoters of such companies based on agreed methodology per the purchase agreement. Accordingly, the Company has recognised a Liability payable to promoters of acquired subsidiary for the present value of such future obligation based on a best estimate available with the management.

The Holding Company has reassessed the Liability payable to promoters of acquired subsidiary (Washroom Hygiene Solutions Private Limited) during the year ended March 31, 2021 based on the actual results available (applying the agreed methodology) and accordingly reversed an amount of ₹ 19.74 million as the same is no longer required to be paid. (Refer Note 30)

The Holding Company reassessed the Liability payable to promoters of acquired subsidiary (Matrix Business Services India Private Limited) under the terms of the relevant share purchase agreement during the year ended March 31, 2022 based on the actual results available (applying the agreed methodology) as fair value change and accordingly accrued for an amount of ₹ 151.29 million as Fair value changes in Liability payable to promoters of acquired subsidiary. Refer Note 38B

24	**Lease Liability**	**As at September 30, 2022**	**As at March 31, 2022**	**As at March 31, 2021**	**As at March 31, 2020**
	Current (Refer Note 43)	54.84	47.69	21.75	31.88
	Non-current (Refer Note 43)	75.31	78.68	23.19	39.45
		130.15	**126.37**	**44.94**	**71.33**

25	**Deferred Tax Liabilities (Non-Current)**	**As at September 30, 2022**	**As at March 31, 2022**	**As at March 31, 2021**	**As at March 31, 2020**
	Intangible assets arising on acquisition	96.00	108.48	25.56	31.07
		96.00	**108.48**	**25.56**	**31.07**

26	**Short term provisions**	**As at September 30, 2022**	**As at March 31, 2022**	**As at March 31, 2021**	**As at 31st March, 2020**
	Provision for employee benefits				
	Provision for leave benefits	97.20	97.11	91.99	77.92
	Other provisions				
	Provision for tax litigations *	2.81	2.81	2.81	2.81
	Provision for Onerous Contract **	-	-	10.13	-
	Total short term provisions	**100.01**	**99.92**	**104.93**	**80.73**

(All amounts are in millions of Indian Rupees unless otherwise stated)

	As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at 31st March, 2020
The table gives the information about movement of the provision :				
*** Provision for litigations (Refer note 46)**				
At the beginning of the year / period	2.81	2.81	2.81	4.47
Created during the year / period	-	-	-	-
Utilised during the year / period	-	-	-	(1.66)
At the end of the year / period	**2.81**	**2.81**	**2.81**	**2.81**
**** The table gives the information about movement of Onerous contract**				
Provision for Onerous Contract				
At the beginning of the year / period	-	10.13	-	-
Created during the year / period	-	-	10.13	-
Utilised during the year / period	-	(10.13)	-	-
At the end of the year / period	**-**	**-**	**10.13**	**-**

27	Current tax liabilities (net)	As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at 31st March, 2020
	Provision for income taxes (net of advance income taxes)	37.62	37.13	38.37	11.95
		37.62	**37.13**	**38.37**	**11.95**

28	Other current liabilities	As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at 31st March, 2020
	Advance from customers	23.33	48.48	76.11	7.29
	Statutory dues and related liabilities*	546.94	500.52	373.47	420.63
	Provision against PF order **	4.39	3.88	2.83	2.83
	Deferred Income	25.11	18.63	-	-
	Other Payables	41.88	36.14	-	-
	Total other current liabilities	**641.65**	**607.65**	**452.41**	**430.75**

*Statutory dues and related liabilities includes PF, ESI, PT, LWF, TDS & GST payable.

**One of subsidiary Company (Avon Solutions & Logistics Private Limited) had received an order from the High Court (against the appeal made by the PF department) directing the Company to pay PF on certain allowances to be considered for PF computation for the salary paid for the period FY 2007-12. Based on the High court order and in compliance with Supreme Court judgement in 2019, the Company has created provision. Further, the Company has also accrued for interest during the period

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(All amounts are in millions of Indian Rupees unless otherwise stated)

29 Revenue from contracts with customers

	For the six months period ended September 30, 2022	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
Sale of services	9,831.96	14,796.35	12,071.30	13,113.64
Sale of products	19.20	39.17	29.02	35.22
Total Revenue from operations	**9,851.16**	**14,835.52**	**12,100.32**	**13,148.86**
Revenue by Geography				
India	9,036.78	14,736.14	12,032.52	13,126.90
Outside India	814.38	99.38	67.80	21.96
Total revenue from contracts with customers	**9,851.16**	**14,835.52**	**12,100.32**	**13,148.86**

Timing of revenue recognition:

	For the six months period ended September 30, 2022	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
Goods transferred at a point in time	19.20	39.17	29.02	35.22
Service transferred at a point in time	262.05	587.51	369.23	122.98
Service transferred over a period of time	9,569.91	14,208.84	11,702.07	12,990.66
Total	**9,851.16**	**14,835.52**	**12,100.32**	**13,148.86**

Reconciliation of Revenue from sale of products/services with the contracted price:

	For the six months period ended September 30, 2022	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue as per contracted price	9,998.66	15,107.13	12,320.78	13,218.48
Adjustments - Estimated price concessions #	(147.50)	(271.61)	(220.46)	(69.62)
Total	**9,851.16**	**14,835.52**	**12,100.32**	**13,148.86**

 # The table gives the information about movement of the Estimated price concessions:

	For the six months period ended September 30, 2022	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
At the beginning of the year / period	324.56	215.32	188.78	174.33
Created during the year / period	147.50	271.61	220.46	69.62
Utilised during the year / period	(224.30)	(162.37)	(193.92)	(55.17)
At the end of the year / period	**247.76**	**324.56**	**215.32**	**188.78**

Contract Balances	As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Trade Receivables (Refer Note 11)	4,224.62	3,474.85	2,689.38	3,341.87
Contract Assets (Refer Note 10)	923.85	745.69	440.03	439.43
Contract Liabilities				
Advance from Customers	23.33	48.48	76.11	7.29

30 Other income

	For the six months period ended September 30, 2022	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit on sale of property, plant & equipment (net)	0.29	0.40	2.19	0.30
Profit on sale of investment	-	-	-	0.42
Provision no longer required written back*	64.21	55.84	11.50	4.56
Other non-operating income	1.67	1.44	0.99	2.86
Bad debts recovered	-	9.44	-	-
Fair value gain on Financial Assets at FVTPL	0.86	10.17	5.53	3.07
Exchange Differences (net)	17.89	6.05	1.65	0.65
Liability payable to promoters of acquired subsidiary no longer required written back**	-	-	19.74	-
Total Other income	**84.92**	**83.34**	**41.60**	**11.86**

*Includes reversal of impairment allowance amounting to ₹ 39.94 million relating to certain receivables in respect of which management had estimated the recovery to be the doubtful in the previous year. In the current period, post issuance of credit notes as per the relevant provisions of the Central Goods and Services Act, 2017 and other rules thereunder, such impairment allowance is no longer considered necessary and has accordingly been reversed in the current period.

**During the year ended March 31, 2020, the Holding Company has entered the Shareholder's Agreement with the two companies (Matrix Business Services India Private Limited & Washroom Hygiene Solutions Private Limited "WHC") and its erstwhile promoters, the Holding Company has an obligation to purchase the remaining shares held by the promoters of such companies based on agreed methodology per the purchase agreement. Accordingly, the Holding Company has recognised a liability payable to promoters of acquired subsidiary for the present value of such future obligation based on a best estimate available. (Refer Note 23B)

During the year ended March 31, 2021, the Holding Company had reassessed the liability payable to promoters of acquired subsidiary during the current year based on the actual results available (applying the agreed methodology) and accordingly reversed an amount of ₹ 19.74 million as the same was no longer required to be paid.

31 Finance income

	For the six months period ended September 30, 2022	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest income - Bank deposits	17.65	23.53	12.45	6.35
Interest on Income Tax refund	-	32.08	7.19	-
Interest income - Others	10.84	4.46	1.95	0.74
Total Finance income	**28.49**	**60.07**	**21.59**	**7.09**

32 Cost of materials consumed

	For the six months period ended September 30, 2022	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
Inventory at the beginning of the year / period	3.53	2.63	3.40	14.15
Add: Purchase	252.13	388.10	275.15	443.47
	255.66	**390.73**	**278.55**	**457.62**
Less : Inventory at the end of the year / period	(3.89)	(3.53)	(2.63)	(3.40)
Cost of materials consumed	**251.77**	**387.20**	**275.92**	**454.22**

(All amounts are in millions of Indian Rupees unless otherwise stated)

33 Purchase of traded goods	For the six months period ended September 30, 2022	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
Purchase of traded goods	12.76	19.71	24.55	19.51
Total Purchase of traded goods	**12.76**	**19.71**	**24.55**	**19.51**

33A Cost of Services	For the six months period ended September 30, 2022	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
Cost of Services	1,313.68	954.10	-	-
Total Cost of Services	**1,313.68**	**954.10**	**-**	**-**

34 Changes in inventories of finished goods and traded goods		For the six months period ended September 30, 2022	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
Finished goods					
Closing stock		16.84	13.27	8.16	13.05
Opening stock		13.27	8.16	13.05	12.12
	Sub total (A)	3.57	5.11	(4.89)	0.93
Stock-in-trade					
Closing stock		28.36	44.65	36.32	47.04
Opening stock		44.65	36.32	47.04	18.59
	Sub total (B)	(16.29)	8.33	(10.72)	28.45
Total Changes in Inventories		**12.72**	**(13.44)**	**15.61**	**(29.38)**

35 Employee benefit expenses	For the six months period ended September 30, 2022	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries and wages *	5,725.06	9,496.00	8,754.75	9,405.02
Contribution to provident and other fund (Refer Note 42)	630.69	1,071.78	984.44	1,055.01
Less: Income from government grants #	(1.19)	(9.85)	(31.95)	(80.26)
Gratuity Expense (Refer Note 42)	49.33	76.67	67.66	54.70
Staff welfare expenses	38.40	39.05	40.16	75.54
Employee stock option expenses (Refer Note 44)	5.91	8.12	1.49	32.56
Total Employee benefit expenses	**6,448.20**	**10,681.77**	**9,816.55**	**10,542.57**

* The Holding Company has during the lockdown period (March 25, 2020 to May 17, 2020), adopted the principle of "No work, No pay", in case of workers working on essential services projects, where certain employees have opted to take voluntary leave. Furthermore, in relation to certain employees working for projects involving non-essential services, the Holding Company had verbal consensus/understanding for non / part payment of wages depending on the extent of work performed and amounts recovered from the customers. The Holding Company has evaluated the impact of legal provisions in this regard including the requirements of the Ministry of Home Affairs order dated March 29, 2020 as well as obtained an external legal opinion basis which the management considers that the position taken by the Holding Company is legally tenable and accordingly no additional provision has been made in this regard in the books of records. No claims have been received as on date in this regard from any of the employees concerned.

#The Holding Company is availing of benefits under a government scheme - Pradhan Mantri Rojgar Protsahan Yojana (PMRPY) wherein the Central Government is paying the employer's contribution towards Employee Pension Scheme / Provident Fund in respect of new employees (joined till March 2019) meeting specified criteria.

#The company is availing of benefits under government scheme- Atmanirbhar Bharat Rozgar Yojana (ABRY) which provides incentive to employers for creation of new employment along with social security benefits post covid recovery phase . The Company is availing this benefit from 1st October 2020 where both employee and employer share of PF contribution or only employee's share of contribution is borne by the government basis the employment strength and employees fulfilling the criteria prescribed under the scheme.

36 Finance costs	For the six months period ended September 30, 2022	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest on borrowings	42.50	44.91	24.80	69.52
Interest on lease liabilities	4.99	5.16	4.91	5.16
Interest on income tax	-	0.61	-	1.33
Other borrowing costs	0.10	-	-	-
Total Finance costs	**47.59**	**50.68**	**29.71**	**76.01**

37 Depreciation and amortization expense	For the six months period ended September 30, 2022	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
Amortization of intangible assets (Refer Note 3A)	27.60	44.82	27.89	19.34
Depreciation of property, plant & equipment (Refer Note 3)	84.89	84.35	96.93	119.07
Depreciation of Right To Use Assets (Refer Note 43)	30.40	36.17	25.04	22.72
Impairment of Intangible Assets (Refer Note 3A)	-	-	-	0.54
Total Depreciation and amortization expense	**142.89**	**165.34**	**149.86**	**161.67**

38A Impairment losses on financial instrument and contract assets	For the six months period ended September 30, 2022	For the year ended March 31, 2022	For the year ended March 31st, 2021	For the year ended March 31st, 2020
Impairment for doubtful trade receivables	3.00	43.79	48.43	60.55
Impairment on doubtful advances	5.28	11.66	1.06	6.14
Impairment for doubtful unbilled revenue	19.75	4.56	5.98	-
Total Impairment Losses on financial instrument and contract assets	**28.03**	**60.01**	**55.47**	**66.69**

(All amounts are in millions of Indian Rupees unless otherwise stated)

38B	**Fair value changes in Liability payable/paid to promoters of acquired subsidiary**	**For the six months period ended September 30, 2022**	**For the year ended March 31, 2022**	**For the year ended March 31st, 2021**	**For the year ended March 31st, 2020**
	Fair value changes due to re-measurement of Liability payable/paid to promoters of acquired subsidiary* (Refer Note 23B)	274.38	213.48	38.75	29.37
	Total	**274.38**	**213.48**	**38.75**	**29.37**

* The Holding Company has reassessed the liability payable to promoters of Denave India Private Limited during the period ended September 30, 2022 based on the actual results available (applying the agreed methodology) and accordingly accounted ₹ 274.38 million as Fair value changes in Liability payable/paid to promoters of acquired subsidiary during the period.

The Holding Company has reassessed the Liability payable to promoters of Global Flight Handling Services Private Limited during the year ended March 31, 2022 based on the actual results available (applying the agreed methodology) and accordingly accounted ₹ 12 millions (Paid) as Fair value changes in Liability payable/paid to promoters of acquired subsidiary during the year (March 31, 2021 and March 31, 2020: NIL)

Further, for details about the balance accounted as re-measurement of liaibility payable to promoters of another subsidiary, refer Note 23B.

39	**Other expenses**	**For the six months period ended September 30, 2022**	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**
	Payment to Associates	84.18	108.35	64.48	70.10
	Verification expenses	66.82	131.93	63.51	87.41
	Consumption of stores and spares	3.31	7.33	4.80	5.58
	Communication expenses	21.49	23.96	16.50	25.47
	Canteen materials	18.95	21.21	9.48	69.63
	Cleaning materials and consumables	179.44	220.09	259.95	322.55
	Advances written off	-	2.50	4.46	2.09
	Bad debts written off	5.80	8.89	6.44	23.72
	Freight and forwarding charges	6.76	1.31	6.72	7.40
	Insurance	16.10	33.72	18.58	2.23
	Legal and professional fees	41.40	80.07	27.06	60.42
	Power and fuel	12.95	19.96	13.23	21.26
	Computer hire charges	18.47	23.66	-	-
	Discount Allowed	5.00	5.53	-	-
	Postage and Courier Charges	105.31	259.65	168.00	91.96
	Printing and stationery	12.72	26.74	16.39	12.32
	Provision for Onerous Contract	-	-	10.13	-
	Provision for Diminution of value of inventories	0.32	1.03	-	0.20
	Director sitting fees	0.58	2.10	-	2.90
	Payment to auditor	3.43	15.28	7.55	7.92
	Rates and taxes	21.31	54.06	9.24	5.99
	Rent	36.70	53.53	38.55	67.03
	Repairs and maintenance - Buildings	2.17	17.97	9.40	-
	Repairs and maintenance - Others	41.68	61.12	44.34	13.04
	CSR expenditure	2.17	9.44	7.33	6.97
	Site maintenance expenses	246.19	370.21	325.79	402.54
	Travelling and conveyance	74.18	78.36	47.01	97.39
	Loss on sale of Property, plant & equipment	0.53	12.23	0.10	1.09
	Training Expense	41.78	36.88	10.57	54.57
	License Fee	22.42	10.63	-	-
	Miscellaneous expenses	30.42	52.93	23.22	18.80
	Total Other Expenses	**1,122.58**	**1,750.67**	**1,212.83**	**1,480.58**

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(All amounts are in millions of Indian Rupees unless otherwise stated)

40 Income Tax Expense

Particulars	For the six months period ended September 30, 2022	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
The major components of income tax expense for the six months ended September 30, 2022 and years ended March 31, 2022, March 31, 2021 and March 31, 2020 are:				
Current income tax:				
Current income tax charge	143.61	209.48	153.43	67.58
Tax related to earlier years	5.27	(12.98)	1.39	0.29
Deferred tax:				
Relating to origination and reversal of temporary differences	(40.84)	(60.78)	(86.17)	(32.08)
Total Income tax expense reported in the statement of profit or loss	**108.04**	**135.72**	**68.65**	**35.79**
Other Comprehensive income (OCI) Section				
Re-measurement gains and (losses) on defined benefit obligations (net)	(3.15)	5.51	(2.16)	1.54
Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2022 and March 31, 2021:				
Accounting Restated Profit before income tax (as per Statement of Profit or Loss)	309.97	709.41	544.26	366.57
Less: Accounting Profit before tax taxed at different rates*	(94.39)	-	-	-
Accounting Restated Profit before income tax	215.58	709.41	544.26	366.57
Enacted tax rate in India	25.17%	25.17%	25.17%	25.17%
Restated Profit before income tax multiplied by enacted tax rate	54.26	178.54	136.98	92.26
Effects of:				
Effect of change in substantively enacted tax rates on deferred tax	0.89	(2.18)	(0.57)	71.49
Additional deduction under Income Tax based on employment generation	(39.01)	(81.10)	(84.65)	(138.93)
Adjustment in respect of tax related to earlier years	5.27	(11.65)	1.69	0.73
Adjustment in respect of deferred tax related to earlier years	(3.00)	-	-	-
Liability payable to promoters of acquired subsidiary re-measurement	62.23	5.35		
Effect of temporary differences	6.46	8.17	-	-
Tax on accounting profits taxed at different rates*	11.11	-	-	-
Deferred Tax Assets not recognised on business losses of the subsidiaries	14.44	-	-	-
Others	(4.59)	38.59	15.20	10.24
Net effective income tax	**108.04**	**135.72**	**68.65**	**35.79**
Other Comprehensive income (OCI) Section				
Deferred tax related to items recognised in OCI during in the year:				
Re-measurement gains and (losses) on defined benefit obligations (net)	(3.15)	5.51	(2.16)	1.54
	(3.15)	**5.51**	**(2.16)**	**1.54**

*One of the subsidiaries have profits accruing or arising outside India and hence are taxed at different rates based on the respective jurisdiction.

Deferred tax liabilities has not been created for tax on potential dividend from undistributed profits in subsidiaries, as the group currently intends to retain such reserves for the foreseeable future.

During the year ended March 31, 2020, the company elected to exercise the option permitted under section 115BAA of The Income Tax Act,1961 as introduced by the taxation laws (Amendment) ordinance, 2019. Accordingly, the company has recognized provision for income tax and deferred tax for the period basis the rate prescribed under that section.

41 Restated Earnings per equity share

Basic EPS amounts are calculated by dividing the profit for the six months period and year(s) attributable to equity holders of the Group by the weighted average number of Equity shares outstanding during the year / period.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Group by the weighted average number of Equity shares outstanding during the six months period and year(s) plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the profit and share data used in the basic and diluted EPS computations:

Particulars	For the six months period ended September 30, 2022	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit attributable to equity shareholders of Group	202.09	552.91	450.34	331.80
Profit attributable to equity holders of the Group adjusted for the effect of dilution	202.09	552.91	450.34	331.80
Weighted average number of Equity shares for basic EPS	5,28,17,479	5,28,17,479	5,28,17,479	5,28,17,479
Effect of dilution:				
Employee Stock Options	3,63,033	3,63,033	3,63,033	3,63,033
Weighted average number of Equity shares adjusted for the effect of dilution	5,31,80,512	5,31,80,512	5,31,80,512	5,31,80,512
Restated Earning per share of INR 10 each				
- Basic	3.83	10.47	8.53	6.28
- Diluted	3.80	10.40	8.47	6.24

(All amounts are in millions of Indian Rupees unless otherwise stated)

42 Disclosure pursuant to Ind AS 19 "Employee benefits":

(i) Defined contribution plan:

The Group provident fund is the defined contribution plan. An amount of ₹ 630.69 million being contribution made to recognised provident fund is recognised as expense for the period ended September 30, 2022 (March 31, 2022: ₹ 1,071.78 million; March 31, 2021: ₹ 984.44 million; March 31, 2020: ₹ 1,055.01 million) and included under Employee benefit expense (Note 35) in the Statement of Profit and loss.

(ii) Defined benefit plans:

A Gratuity (Regular)

The Group has defined benefit gratuity plan for its employees. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, every employee who has completed 5 years of service are eligible for gratuity on departure at 15 days salary (last drawn) for each completed year of service. The level of benefits provided depends on the member's length of service and salary at retirement.

The following table summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the gratuity plan:

a) The amounts recognised in Balance Sheet are as follows:

Particulars	As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Present value of Defined Benefit Obligation	433.48	422.53	295.82	258.34
Fair value of plan assets	(46.64)	(33.86)	(31.34)	(26.99)
Net Liability or asset	**386.82**	**388.67**	**264.48**	**231.35**
Current	81.87	98.03	39.12	26.83
Non - Current	304.95	290.64	225.36	204.52

b) The amounts recognised in the Statement of Profit and Loss are as follows:

Particulars	For the six months period ended September 30, 2022	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
Service cost :				
Current service cost	39.66	63.54	55.84	43.58
Net interest cost :				
Interest Expense on Defined Benefit Obligation	10.67	13.53	12.19	11.58
Interest Income on Plan Assets	(1.00)	(0.40)	(0.37)	(0.46)
Total included in 'Employee Benefit Expense' (Refer Note 35)	**49.33**	**76.67**	**67.66**	**54.70**

c) Remeasurement recognized in other comprehensive income

Particulars	For the six months period ended September 30, 2022	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
Components of actuarial gain/losses on obligations				
Due to change in financial assumptions	(27.93)	9.05	0.15	(4.22)
Due to change in demographic assumption	2.55	7.41	4.38	18.27
Due to experience adjustments	9.81	16.30	(12.64)	(1.18)
Return on plan assets	0.57	(0.08)	(0.09)	0.11
Total	**(15.00)**	**32.68**	**(8.20)**	**12.98**

d) The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

Particulars	As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Opening defined benefit obligation	422.53	295.82	258.34	178.14
Defined benefit obligation for acquisition during the year / period	-	41.24	-	21.45
Current service cost	39.66	63.54	53.79	42.47
Interest cost	9.63	14.27	12.53	12.39
Actuarial losses/(gains)				
Due to change in financial assumptions	(27.93)	14.54	7.53	(4.22)
Due to change in demographic assumption	2.55	8.31	(10.42)	18.27
Due to experience adjustments	9.81	12.23	(1.98)	(1.25)
Past Service Cost	-	-	-	1.12
Benefit Paid	(22.77)	(27.42)	(23.97)	(10.03)
Closing balance of the present value of defined benefit obligation	**433.48**	**422.53**	**295.82**	**258.34**

e) The changes in the present value of plan assets representing reconciliation of opening and closing balances thereof are as follows:

Particulars	As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Opening plan assets	**33.86**	**31.34**	**26.99**	**5.39**
Expected return on plan assets	0.56	0.40	0.37	0.46
Contributions	34.32	25.56	29.48	14.55
Benefits paid and charges deducted	(22.77)	(27.41)	(23.98)	(10.03)
Actuarial gain/ (loss) on plan assets	0.67	3.97	(1.52)	16.62
Closing balance of the present value of plan assets	**46.64**	**33.86**	**31.34**	**26.99**

f) Reconciliation of Net Liability / (Asset)

Particulars	As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Net Liability / (Asset) at the beginning of the year / period	388.67	264.48	231.35	156.81
Defined benefit obligation for acquisition during the year / period	-	41.24	-	21.45
Defined Benefit cost included in the Profit / Loss	49.33	76.67	67.66	54.70
Defined Benefit cost included in Other Comprehensive Income	(15.00)	32.68	(8.20)	12.94
Benefit Paid	(36.18)	(26.40)	(26.33)	(14.55)
Net Liability / (Asset) at the end of the year/ period	**386.82**	**388.67**	**264.48**	**231.35**

(All amounts are in millions of Indian Rupees unless otherwise stated)

g) Principal actuarial assumptions at the Balance Sheet date:

Particulars	As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
1) Discount rate	5.74% - 7.54%	4.87% - 7.26%	4.52% - 6.29%	5.06% - 6.36%
2) Salary growth rate	5% - 8.92%	5.00% - 9.00%	5.00% - 8.92%	5.00% - 11.62%
3) Attrition rate	10.00% - 48.55% at all ages	10.00% - 48.55% at all ages	31.87% - 51.87% at all ages	13.73% - 49.25% at all ages
4) Retirement age	58 years	58 years	58 years	58 years
5) Maturity tables	Indian Assured Lives Mortality (2012-14) Ultimate Table	Indian Assured Lives Mortality (2012-14) Ultimate Table	Indian Assured Lives Mortality (2012-14) Ultimate Table	Indian Assured Lives Mortality (2012-14) Ultimate Table

h) A quantitative sensitivity analysis for significant assumption

Particulars	As at September 30, 2022		As at March 31, 2022	
	Change	Obligation	Change	Obligation
i) Discount rate	+0.5%	375.50	+0.5%	371.02
	-0.5%	385.21	-0.5%	380.78
ii) Salary growth rate	+0.5%	386.25	+0.5%	381.69
	-0.5%	374.45	-0.5%	370.08

Particulars	As at March 31, 2021		As at March 31, 2020	
	Change	Obligation	Change	Obligation
i) Discount rate	+0.5%	281.14	+0.5%	230.94
	-0.5%	287.62	-0.5%	236.49
ii) Salary growth rate	+0.5%	288.33	+0.5%	236.96
	-0.5%	280.31	-0.5%	230.45

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analyses are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analyses may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation from one another.

i) Expected cashflows based on past service liability

Particulars	As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
1) Year 1	124.89	120.28	94.54	86.29
2) Year 2	95.49	91.26	71.62	60.88
3) Year 3	69.47	66.26	51.68	48.33
4) Year 4	52.06	48.66	35.52	34.58
5) Year 5	37.58	35.12	24.21	23.68
6) More than 5 years	66.16	59.98	37.79	34.52

j) The major categories of plan assets of the fair value of the total plan assets are as follows:

Particulars	As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Investment Details				
Others	24.47	12.64	13.62	27.00
Total	**24.47**	**12.64**	**13.62**	**27.00**

The average duration of the defined benefit Obligation for the period ended September 30, 2022 is 2.9 years (March 31, 2022: 3 years; March 31, 2021: 2.8 years; March 31, 2020: 2.8 years)

B Gratuity (Reimbursement from clients)

The Group has recognised gratuity liability and reimbursement right for its employees in accordance with Ind AS 19. The following table summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the gratuity plan:

a) Net defined benefit liability

Particulars	As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Present value of Defined Benefit Obligation	313.74	291.78	248.92	240.50
Fair value of plan assets	-	-	-	-
Net Liability	**313.74**	**291.78**	**248.92**	**240.50**
Current	106.85	94.42	134.64	121.54
Non - Current	206.89	197.36	114.28	118.96

b) Net benefit cost (refer note 1 below)

Particulars	For the six months period ended September 30, 2022	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
Current service cost	30.92	39.01	59.05	28.36
Net actuarial (gain) / loss recognised in the year	(9.04)	83.48	(54.15)	72.98
Interest cost on defined benefit obligation	7.40	8.28	10.60	7.66
Net benefit expense	**29.28**	**130.77**	**15.50**	**109.00**

(All amounts are in millions of Indian Rupees unless otherwise stated)

Note 1:
The employee benefits expenses towards gratuity and related reimbursement right for associate employees for period ended September 30, 2022 is ₹ 29.28 million (March 31, 2022: ₹ 130.77 million; March 31, 2021: ₹ 15.50 million, March 31, 2020: ₹ 109 million) have been netted off in the Statement of Profit and Loss.

c) Changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

Particulars	As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Opening defined benefit obligation	291.78	248.92	240.50	151.20
Current service cost	30.92	39.01	59.05	28.36
Interest cost	7.40	8.28	10.60	7.66
Actuarial losses/(gains)				
Due to change in financial assumptions	(27.85)	(2.88)	-	6.85
Due to change in demographic assumption	5.61	13.90	(12.12)	16.69
Due to experience adjustments	13.21	72.46	(42.02)	49.43
Benefit Paid	(7.32)	(87.91)	(7.09)	(19.69)
Closing balance of the present value of defined benefit obligation	**313.74**	**291.78**	**248.92**	**240.50**

d) The changes in the present value of plan assets representing reconciliation of opening and closing balances thereof are as follows:

Particulars	As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Opening plan assets	-	-	-	-
Expected return on plan assets	-	-	-	-
Contributions	7.32	44.27	7.09	19.70
Benefits paid and charges deducted	(7.32)	(44.27)	(7.09)	(19.70)
Actuarial gain/ (loss) on plan assets	-	-	-	-
Closing balance of the present value of plan assets	**-**	**-**	**-**	**-**

e) Principal actuarial assumptions used in determining the gratuity obligations are shown below

Particulars	As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
1) Discount rate	6.96%	5.15%	4.52%	5.06%
2) Salary growth rate (Duration based)	6.00%	7.44%	7.24%	10.39%
3) Attrition rate (Age based)	38% at all ages	39.85% at all ages	44.70% at all ages	45.72% at all ages
4) Retirement age (Years)	58 years	58 years	58 years	58 years
5) Mortality tables	Indian Assured Lives Mortality (2012-14) Ultimate Table	Indian Assured Lives Mortality (2012-14) Ultimate Table	Indian Assured Lives Mortality (2012-14) Ultimate Table	Indian Assured Lives Mortality (2006-08) Ultimate Table

f) Sensitivity analysis
A quantitative sensitivity analysis for significant assumptions on defined benefit obligation as at September 30, 2022, March 31, 2022, March 31, 2021 and March 31, 2020 are as shown below:
Gratuity Plan (Reimbursement from clients)

Particulars	As at September 30, 2022		As at March 31, 2022	
	Change	Obligation	Change	Obligation
i) Discount rate	+0.5%	309.03	+0.5%	288.25
	-0.5%	316.34	-0.5%	295.40
ii) Salary growth rate	+0.5%	317.09	+0.5%	295.98
	-0.5%	308.26	-0.5%	287.64

Particulars	As at March 31, 2021		As at March 31, 2020	
	Change	Obligation	Change	Obligation
i) Discount rate	+0.5%	203.11	+0.5%	238.25
	-0.5%	207.48	-0.5%	242.80
ii) Salary growth rate	+0.5%	207.89	+0.5%	243.16
	-0.5%	202.69	-0.5%	237.87

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analyses are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analyses may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation from one another.

g) Expected cashflows based on past service liability

Particulars	As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
1) Year 1	95.78	81.95	71.43	100.82
2) Year 2	79.21	72.88	49.48	53.55
3) Year 3	60.65	55.54	38.27	37.84
4) Year 4	44.52	41.67	26.31	27.96
5) Year 5	33.05	29.69	17.37	18.91
6) More than 5 years	54.30	47.15	22.84	25.64

The average duration of the defined benefit Obligation for the period ended September 30, 2022 is 3 years (March 31, 2022: 3.1 years; March 31, 2021: 2.7 years; March 31, 2020: 2.7 years)

(All amounts are in millions of Indian Rupees unless otherwise stated)

43 Lease details

The Group has lease contracts for building used in its operations. Leases of building generally have lease terms between 2 - 5 years, vehicles have lease terms of 1 - 3 years and furniture and fittings between 1-2 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets.

The Group also has certain leases of building, machinery, furniture and fittings with lease term less than 12 months where it applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Particulars	Building	Vehicle	Furniture & fittings	Total
As at April 1, 2019	**60.32**	**-**	**0.13**	**60.45**
Additions	13.17	1.27	-	14.44
Transfer from PPE	1.27	-	-	1.27
Depreciation expense	(22.44)	(0.17)	(0.11)	(22.72)
As at March 31, 2020	**52.32**	**1.10**	**0.02**	**53.44**
Additions	19.40	-	-	19.40
Deletions	(10.18)	(0.93)	-	(11.11)
Depreciation expense	(24.86)	(0.16)	(0.02)	(25.04)
As at March 31, 2021	**36.68**	**0.01**	**-**	**36.69**
Additions	119.83	-	-	119.83
Depreciation expense	(36.17)	-	-	(36.17)
As at March 31, 2022	**120.34**	**0.01**	**-**	**120.35**
Additions	26.21	8.85	0.13	35.19
Deletions	-	(4.26)	(0.10)	(4.36)
Depreciation expense	(25.95)	(4.42)	(0.03)	(30.40)
Other Ind AS Adjustments	(0.19)	0.92	-	0.74
As at September 30, 2022	**120.41**	**1.10**	**0.00**	**121.52**

Set out below are the carrying amounts of lease liabilities (included under financial liabilities) and the movements during the period:

Particulars	As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Opening Balance	**126.37**	**44.94**	**71.33**	**65.51**
Additions (net)	34.84	119.51	7.02	36.23
Deletion	(5.92)	(1.74)	-	-
Accretion of interest	6.14	5.16	4.91	5.16
Payments	(31.62)	(41.50)	(38.32)	(35.57)
Other Ind AS Adjustments	0.34	-	-	-
Closing Balance	**130.15**	**126.37**	**44.94**	**71.33**
Current	54.84	47.69	21.75	31.88
Non-current	75.31	78.68	23.19	39.45

The carrying amount of financial assets and financial liabilities in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that eventually be received or settled.

The maturity analysis of lease liabilities are disclosed in Note 52(Financial risk management objectives and policies)

The effective interest rate for lease liabilities is 8.84%, with maturity between 2021-2025.

The following are the amounts recognised in profit or loss:

Particulars	For the six months period ended September 30, 2022	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation expense of right-of-use assets	30.40	36.17	25.04	22.72
Interest expense on lease liabilities	4.99	5.16	4.91	5.16
Expense relating to short-term leases (included in other expenses)	36.70	53.53	38.55	67.03
Total amount recognised in profit or loss	**72.09**	**94.86**	**68.50**	**94.91**

The Company had total cash outflows for leases of ₹ 30.47 million during the period ended September 30, 2022 (March 31, 2022: ₹ 41.49 millions; March 31, 2021: ₹ 38.32 millions; March 31, 2020: ₹ 38.02 millions).

44 Share-based payments

a) Employee Share-option Plan

On April 17, 2019, 'Updater Employee Stock Option Plan' 2019 ("ESOP 2019") has been approved by the Board of Directors and also has been approved by Extra-Ordinary General Meeting of the members of the Company. The purpose of the ESOP 2019 is to reward the certain employees for their association, dedication and contribution to the goals of the Company. The options issued under the plan has a term of 1-3 years as provided in the stock grant agreement and vest based on the terms of individual grants. When exercisable, each option is convertible into one equity share.

The expense recognised (net of reversal) for share options during the period ended September 30, 2022 is NIL (March 31, 2022: ₹ 2.31 millions; March 31, 2021: ₹ 1.49 millions; March 31, 2020: 32.56 million). There are no cancellations or modifications to the awards for the period ended September 30, 2022.

Tranche I (A)

The holding Company has granted certain options during the previous year to the employees based on past performance of such employees and vesting condition being continued employment with the Company as on date of vesting. (April 17, 2020)

Tranche I (B), II and III

The Holding Company has granted certain options during the previous year with future performance of the Holding Company as criteria which has been defined based on a matrix as per the ESOP 2019 (for Tranche I (B), II and III). During the year ended March 31, 2022, the Holding Company has modified the vesting conditions (other than market condition) stipulated with respect to the options granted already pursuant to the Updater Employee Stock Option Plan 2019 [25-Sep-2020 & 25-Sep-2021] in a manner which is beneficial to employees. The performance criteria stipulated in the Grant letter issued to the employees was revised according to the actual performance achieved for the Financial Years 2019-20 and 2020-21 and consequently, the options granted to the eligible employees are vested with immediate effect. Accordingly, the ESOP reserve is created based on the revised plan. Further, management has considered future projections and related estimates in determining the number of options expected to be vested and has accounted for the ESOP reserve accordingly.

A. Details of ESOP 2019

Name of the scheme - ESOP 2019	Tranche - I (A)	Tranche - I (B)	Tranche - II	Tranche - III
Date of grant	17-Apr-19	17-Apr-19	18-Oct-19	10-Jan-20
Number granted	4,06,772	5,21,235	1,44,788	77,220
Exercise price (in INR)	10	111	111	111
Vesting period	1 year	1 - 3 years	1 - 3 years	1 - 3 years
Vesting condition	100% on April 17, 2020	25% on September 30, 2020 25% on September 30, 2021 50% on September 30, 2022	25% on September 30, 2020 25% on September 30, 2021 50% on September 30, 2022	25% on September 30, 2020 25% on September 30, 2021 50% on September 30, 2022

(All amounts are in millions of Indian Rupees unless otherwise stated)

B. Movement in the options granted to employees

Particulars	**Number of options**			
	September 30, 2022	**March 31, 2022**	**March 31, 2021**	**March 31, 2020**
Outstanding at the beginning of the year/ period	**6,62,563**	**8,33,895**	**10,53,490**	-
Options granted during the year/ period	-	-	-	11,50,015
Options exercised during the year/ period	-	-	-	-
Options expired during the year/ period	-	(1,71,332)	(2,19,595)	(96,525)
Outstanding at the end of the year/ period	**6,62,563**	**6,62,563**	**8,33,895**	**10,53,490**
Exercisable at the end of the year/ period	-	-	-	-

Particulars	**Weighted Average Exercise Price**			
	September 30, 2022	**March 31, 2022**	**March 31, 2021**	**March 31, 2020**
Outstanding at the beginning of the year/period	**48.99**	**61.73**	72.00	-
Options granted during the year/ period	-	-		75.28
Options exercised during the year/ period	-	-	-	-
Options expired during the year/ period	-	111.00	111.00	111.00
Outstanding at the end of the year/ period	**48.99**	**48.99**	**61.73**	**72.00**
Exercisable at the end of the year/ period	-	-	-	-

The range of exercise prices for options outstanding at the end of the period was ₹ 10 to ₹ 111 (March 31, 2022, March 31, 2021 and March 31, 2020: ₹ 10 to ₹ 111)

The weighted average remaining contractual life for the share options outstanding as at September 30, 2022 is NIL (March 31, 2022: 0.50 years; March 31, 2021: 1.5 years; March 31, 2020: 0.50 to 2.50 years).

The exercise period for the options granted to employees under the plan is 5 years from the date of vesting or 30 days from the date of listing of holding company's shares in stock exchange whichever is later.

C. Fair value of options granted

The Black-Scholes valuation model has been used for computing the weighted average fair value considering following inputs:

Particulars	**September 30, 2022**	**March 31, 2022**	**March 31, 2021**	**March 31, 2020**
Exercise price	10 to 111	10 to 111	10 to 111	10 to 111
Expected volatility	20%	20%	20%	20%
Expected dividend yield (%)	0	0	0	0
Risk free interest rates	7.40%	7.40%	7.40%	7.40%
Expected life of the option	1 - 3 years	1 - 3 years	1 - 3 years	1 - 3 years
Weighted average share price	93	93	93	93
Fair Value of the Option	83.71	83.71	83.71	83.71

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

b) One of the subsidiary Denave India Private Limited ("Denave") has granted Employee stock option plan-2018. "ESOP-2018" came into effect from 01st March, 2018. It was approved by the Board of Directors ('the Board of Denave') of in the meeting held on 01st March, 2018, and by the members of the Denave in the Extra Ordinary General Meeting held on 01st March, 2018 and further modified vide Board resolution dated 4th April, 2018; 30th January, 2020 and 31st December 2020.

The Denave's Employee stock option plan-2021 "ESOP-2021" came into effect from 24th November, 2021. It was approved by the Board of Directors ('the Board of Denave') in the meeting held on 23rd November, 2021, and by the members of the Denave in the Extra Ordinary General Meeting held on 24th November, 2021.

Pursuant to a resolution of the Board of Directors of denave dated 04th April 2018 and a resolution of the Shareholders of Denave dated 30th April 2018, the size of the ESOP pool was amended. Further, amendments were made to vesting period for 2017-18-Block-I and 2017-18-Block-II and 2020-21 Block and to a few other clauses.
The compensation cost of stock options granted to employees has been accounted by the Denave using the fair value method as per Ind AS 102 - Share based payments.
When exercisable, each option is convertible into one equity share.

All the options shall be exercised within the exercise period of 84 months from the date of vesting by paying in full the stipulated exercise price per share after which any unexercised options will lapse.

The expense recognised (net of reversal) for share options during the period is ₹ 5.91 millions (March 31, 2022: ₹12.96 millions; March 31, 2021: ₹4.76 millions; March 31, 2020: Not a subsidiary of the Group).

A. Details of ESOP 2018

Particulars	**2020-21 Block-I**	**2020-21 Block-II**	**2021-22 Block-I**
Date of grant	22-Apr-20	30-Dec-20	30-Apr-21
Number granted	47,975.00	2,35,000.00	1,37,000.00
Surrendered	-	-	-
Fresh Grant	-	-	-
Total	47,975.00	2,35,000.00	1,37,000.00
Exercise price (in ₹)	1.00	1.00	1.00
Vesting period	1-3 years	1-3 years	1-3 years
Vesting 25%	22-Apr-21	30-Dec-21	30-Apr-22
Vesting 25%	22-Apr-22	30-Dec-22	30-Apr-23
Vesting 50%	22-Apr-22	30-Dec-22	30-Apr-24
Vesting conditions	There shall be a period of one year between the date of grant of Options and the vesting of Options. The vesting is subject to other vesting conditions as per ESOP 2018.		
Method of settlement	Equity	Equity	Equity
Modification in terms along with explanation	Refer note 3 below	Refer note 4 below	

Particulars	**2017-18Block-I**	**2017-18Block-II**	**2018-19Block-I**
Date of grant	10-Mar-18	30-Apr-18	30-Apr-18
Number granted	2,97,750.00	2,97,750.00	2,37,987.00
Surrendered	37,975.00	-	-
Fresh Grant	-	-	-
Total	2,59,775.00	2,97,750.00	2,37,987.00
Exercise price (in ₹)	1.00	1.00	1.00
Vesting period	1 year	1 year	1-3 years
Vesting 25%	10-Mar-19	30-Apr-19	30-Apr-19
Vesting 25%	10-Mar-20	30-Apr-20	30-Apr-20
Vesting 50%	10-Mar-21	30-Apr-21	30-Apr-21
Vesting conditions	There shall be a period of one year between the date of grant of Options and the vesting of Options. The vesting is subject to other vesting conditions as per ESOP 2018.		
Method of settlement	Equity	Equity	Equity
Modification in terms along with explanation	Refer note 1 below	Refer note 1 below	Refer note 2 below

(All amounts are in millions of Indian Rupees unless otherwise stated)

44 Share-based payments (Continued)

Note 1

The vesting period has been modified to 100% of the Options - One year from the date of acceptance of the offer by the Compensation committee considering that the said change is not detrimental to the interest of the participating employees.

Note 2

The vesting period has been modified to 100% of the Options -
a. 50% of the options will vest to the employees after one year from the date of acceptance of the offer, 25% after two years from the date of acceptance of the offer and 25% after three years from the date of acceptance of the offer
b. One year from the date of acceptance of the offer by the Compensation committee for one employee considering that the said change is not detrimental to the interest of the participating employees.

Note 3

The options includes options which were allotted to the eligible employees from those surrendered in "2017-18 Block I". The vesting period has been modified to 100% of the Options - One year from the date of acceptance of the offer by the Compensation committee for one employee considering that the said change is not detrimental to the interest of the participating employees.

Note 4

The options includes options which were allotted to the eligible employees from those surrendered in "2017-18 Block I". Vesting period has been modified to 100% of the options as at the year end for one of the employees considering that the said change is not detrimental to the interest of the participating employees.

B. Movement in the options granted to employees

Particulars	Number of options			
	September 30, 2022	March 31, 2022	March 31, 2021	March 31, 2020
Outstanding at the beginning of the year	7,12,870	10,78,487	8,33,487	Not a subsidiary of the Group
Options granted during the year	7,47,000	1,37,000	2,82,975	
Weighted average exercise price per option(₹)	1	1	1	
Options exercised during the year	-	(5,02,617)	-	
Options surrendered during the year	-	-	(37,975)	
Outstanding at the end of the year	14,59,870	7,12,870	10,78,487	
Exercisable at the end of the year	4,56,370	4,22,120	7,90,987	

C) Fair value of options granted

The Black-Scholes valuation model has been used for computing the weighted average fair value considering following inputs:

Particulars	September 30, 2022	March 31, 2022	March 31, 2021	March 31, 2020
Exercise price	1.00	1.00	1.00	Not a subsidiary of the Group
Expected volatility	23.29%	0.00%	0.00%	
Expected dividend yield (%)	0.00%	0.00%	0.00%	
Risk free interest rates	6.52%	6.14%	6.14%	
Expected life of the option	7 years	7 years	7 years	
Weighted average share price	72.54	67.31	67.31	
Fair Value of the Option	71.54	66.31	66.31	

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

45 Capital management

For the purpose of the Group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the company's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

Particulars	As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Non-current borrowings	195.28	-	-	0.09
Current borrowings	1,502.86	586.79	116.10	899.52
Lease Liabilities	130.15	126.37	44.94	71.33
Less: cash and cash equivalents	(1,284.64)	(572.86)	(445.83)	(172.99)
Less: Bank Balances other than cash and cash equivalents	(241.50)	(137.31)	(192.27)	(73.63)
Net debt	**302.15**	**2.99**	**(477.06)**	**724.32**
Total Equity	3,672.23	3,457.36	2,921.91	2,438.77
Total capital	**3,672.23**	**3,457.36**	**2,921.91**	**2,438.77**
Capital and net debt	**3,974.38**	**3,460.35**	**2,444.85**	**3,163.09**
Gearing ratio	**7.60%**	**0.09%**	**(19.51%)**	**22.90%**

No changes were made in the objectives, policies or processes for managing capital during the period ended September 30, 2022 and years ended March 31, 2022, March 31, 2021 and March 31, 2020.

46 Commitments and Contingencies

Particulars	As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
a. Contingent Liabilities				
Income Tax *	155.61	155.61	-	-
Provision for bonus for FY 2014-15 pursuant to retrospective amendment to "Payment of Bonus Act" for which an interim stay has been granted by the High court	3.22	2.78	2.78	2.78
- Claims made against the Company not acknowledged as debts in respect of income tax matters	21.00	-	-	9.73
- Claims made against the Company not acknowledged as debts in respect of GST	-	-	-	2.78
Income Tax Demands against which entire amount is paid under protest	13.71	15.87	-	-
Others**	14.63	6.96	6.96	1.34
b. Commitments				
-Estimated amount of contracts remaining to be executed on capital account and not provided for net of capital advances	28.29	72.54	0.54	12.32

46 Commitments and Contingencies (Continued)

* The Holding Company has claimed a deduction u/s 80JJAA of the Income tax Act for the AY 2019-20 amounting to ₹ 445.30 millions. The Holding Company had filed a belated return of income on January 24, 2020 claiming the said deduction (due date for the said AY being October 31, 2019 for the Company). The Holding Company had filed an application with Central Board of Direct Taxes [‘CBDT’] on January 30, 2020 to condone the delay in filing the return of income on the grounds that due to unavoidable circumstances there was a delay in finalization of audit and books of accounts leading to delay in filing of return of income. The said application has not been disposed till date.

During the year ended March 31, 2022, the assessment u/s 143(3) of the Income Act has been completed for the said AY disallowing the said claim of the Holding Company on the grounds that the return of income was filed beyond the due date prescribed u/s 139(1) of the Income tax Act. The Holding Company has not filed any appeal against the order u/s 143(3) of the Income Tax Act, 1961 pending disposal of its condonation application and is evaluating its future course of action on this matter in consultation with its advisors. Pending this, based on the facts involved as well as considering the bonafide reasons for delay in filing of the return of income for AY 2019-20 (which has been stated in the condonation application filed with the CBDT), management is confident of a favourable outcome on this matter and hence no provision is considered necessary as on date.

**** Others**
(1) Include claim made against the Company by labour department amounting to ₹ 1.34 millions in respect of minimum wages and currently stay order is granted by High Court of Madras.
(2) The Gujarat Panchayats and Municipal Corporations has made claim against the Company for amount ₹ 5.61 millions in respect of Professional Tax. The Company has filed the appeal at Court of Professional Tax Officer and Taluka Development Officer at Sanand and deposited the said amount under Protest and presented same as Balance with Government Authority in the Standalone Financial Statements.
(3) Include amounts relating to reinstatement and backwages amounting to ₹ 2.20 million and under Workmen Compensation Act amounting to ₹ 1.40 million.
No liability is expected to arise. The Company has assessed that it is only possible, but not probable, that outflow of economic resources will be required.

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(All amounts are in lakhs of Indian Rupees unless otherwise stated)

47 Segment information

Effective, April 01, 2021, owing to expansion of the businesses of the Group, the chief operating decision maker (CODM) reviews the business as two primary segment- Integrated facility management services and business support services. These have been considered as the reportable segments of the Group in accordance with the core principles of IND AS 108- "Operating Segments". The Managing Director of the company has been identified as being the chief operating decision maker (CODM), he evaluates the company's performance, allocate resources based on the analysis of the various performance indicator of the Group basis these reportable segments. The Group has re-presented the information relating to all comparative periods in line with this revised segmental classification.

The integrated facility management services primarily comprises of supply of Soft services, Production support services, Engineering Services, Washroom and Feminine Hygiene Care Solutions, Warehouse management, General staffing, Institutional Catering and other related services to various industries. Business Support services primarily comprises of Sales Enablement services, Employee Background Verification Check Services, Audits and Assurance Services, Airport Ground Handling Services, Mailroom Management and Niche Logistics Solutions.

For the six months period ended September 30, 2022

Particulars	Integrated Facility Management Services	Business Support Services	Total segments	Adjustments & eliminations	Total
Revenue					
External Sales	7,210.20	2,835.22	**10,045.42**	(194.26)	**9,851.16**
Other Income	66.70	18.26	**84.96**	(0.04)	**84.92**
Finance Income	27.40	10.32	**37.72**	(9.23)	**28.49**
Total Revenue	**7,304.30**	**2,863.80**	**10,168.10**	**(203.53)**	**9,964.57**
Cost of materials consumed	(329.81)	-	**(329.81)**	78.04	**(251.77)**
Purchases of traded goods	(110.43)	-	**(110.43)**	97.67	**(12.76)**
Cost of Services	-	(1,313.68)	**(1,313.68)**	-	**(1,313.68)**
Changes in inventories of Finished goods and traded goods	(11.23)	-	**(11.23)**	(1.49)	**(12.72)**
Employee benefits expense	(5,813.20)	(635.00)	**(6,448.20)**	0.00	**(6,448.20)**
Finance costs	(48.21)	(8.61)	**(56.82)**	9.23	**(47.59)**
Depreciation and amortization expense	(81.84)	(34.98)	**(116.82)**	(26.07)	**(142.89)**
Impairment losses on financial instrument and contract assets	(47.55)	1.45	**(46.10)**	18.07	**(28.03)**
Fair value changes in Liability payable/paid to promoters of acquired subsidiary	-	-	**-**	(274.38)	**(274.38)**
Other expenses	(624.12)	(519.24)	**(1,143.36)**	20.78	**(1,122.58)**
Segment Profit	**237.91**	**353.74**	**591.65**	**(281.68)**	**309.97**
Total Assets	**8,490.09**	**2,728.50**	**11,218.59**	**(414.37)**	**10,804.22**
Total Liabilities	**5,285.57**	**1,146.02**	**6,431.59**	**700.40**	**7,131.99**
Other Information					
Capital Expenditure (CWIP)	24.35	24.41	**48.77**	-	**48.77**
Depreciation & Amortization expense	(81.84)	(34.98)	**(116.82)**	(26.07)	**(142.89)**

For the Year ended March 31, 2022

Particulars	Integrated Facility Management Services	Business Support Services	Total segments	Adjustments & eliminations	Total
Revenue					
External Sales	12,028.26	3,076.57	15,104.83	(269.31)	**14,835.52**
Other Income	88.64	30.34	118.98	(35.64)	**83.34**
Finance Income	65.72	5.71	71.43	(11.36)	**60.07**
Total Revenue	**12,182.62**	**3,112.62**	**15,295.24**	**(316.31)**	**14,978.93**
Cost of materials consumed	(430.55)	-	(430.55)	43.35	**(387.20)**
Purchases of traded goods	(177.53)	-	(177.53)	157.82	**(19.71)**
Cost of Services	-	(954.09)	(954.09)	(0.01)	**(954.10)**
Changes in inventories of Finished goods and traded goods	18.35	-	18.35	(4.91)	**13.44**
Employee benefits expense	(9,881.29)	(800.48)	(10,681.77)	(0.00)	**(10,681.77)**
Finance costs	(73.56)	(16.67)	(90.23)	39.55	**(50.68)**
Depreciation and amortization expense	(80.83)	(50.55)	(131.38)	(33.96)	**(165.34)**
Impairment losses on financial instrument and contract assets	(81.24)	(0.30)	(81.54)	21.53	**(60.01)**
Fair value changes in Liability payable/paid to promoters of acquired subsidiary	-	-	-	(213.48)	**(213.48)**
Other expenses	(1,039.56)	(797.34)	(1,836.90)	86.23	**(1,750.67)**
Segment Profit	**436.41**	**493.19**	**929.60**	**(220.19)**	**709.41**
Total Assets	**6,700.93**	**2,331.29**	**9,032.22**	**(286.56)**	**8,745.66**
Total Liabilities	**3,482.76**	**1,105.21**	**4,587.97**	**700.33**	**5,288.30**
Other Information					
Capital Expenditure (CWIP)	18.47	17.86	-	-	-
Depreciation & Amortization expense	(80.83)	(50.55)	(131.38)	(33.96)	(165.34)

(All amounts are in lakhs of Indian Rupees unless otherwise stated)

For the Year ended March 31, 2021

Particulars	Integrated Facility Management Services	Business Support Services	Total segments	Adjustments & eliminations	Total
Revenue					
External Sales	11,182.73	1,173.97	12,356.70	(256.38)	**12,100.32**
Other Income	-	-	-	41.60	**41.60**
Finance Income	37.42	12.16	49.58	(27.99)	**21.59**
Total Revenue	**11,220.15**	**1,186.13**	**12,406.28**	**(242.77)**	**12,163.51**
Cost of materials consumed	(375.17)	-	(375.17)	99.25	**(275.92)**
Purchases of traded goods	(158.07)	-	(158.07)	133.52	**(24.55)**
Cost of Services	-	-	-	-	**-**
Changes in inventories of Finished goods and traded goods	(12.44)	-	(12.44)	(3.17)	**(15.61)**
Employee benefits expense	(9,309.47)	(561.15)	(9,870.62)	54.07	**(9,816.55)**
Finance costs	(33.34)	(3.47)	(36.81)	7.10	**(29.71)**
Depreciation and amortization expense	(95.08)	(33.44)	(128.52)	(21.34)	**(149.86)**
Impairment losses on financial instrument and contract assets	(47.81)	-	(47.81)	(7.66)	**(55.47)**
Fair value changes in Liability payable/paid to promoters of acquired subsidiary	-	-	-	(38.75)	**(38.75)**
Other expenses	(837.18)	(421.72)	(1,258.90)	46.07	**(1,212.83)**
Segment Profit	**351.59**	**166.35**	**517.94**	**26.32**	**544.26**
Total Assets	**5,429.82**	**874.42**	**6,304.24**	**(509.30)**	**5,794.94**
Total Liabilities	**2,669.00**	**292.20**	**2,961.20**	**(88.17)**	**2,873.03**
Other Information					
Capital Expenditure (CWIP)	-	3.20	3.20	-	3.20
Depreciation & Amortization expense	(94.04)	(34.14)	(128.18)	(21.68)	(149.86)

For the Year ended March 31, 2020

Particulars	Integrated Facility Management Services	Business Support Services	Total segments	Adjustments & eliminations	Total
Revenue					
External Sales	12,360.39	1,134.95	13,495.34	(346.48)	**13,148.86**
Other Income	5.78	3.53	9.31	2.55	**11.86**
Finance Income	9.58	3.52	13.10	(6.01)	**7.09**
Total Revenue	**12,375.75**	**1,142.00**	**13,517.75**	**(349.94)**	**13,167.81**
Cost of materials consumed	(520.47)	-	(520.47)	66.25	**(454.22)**
Purchases of traded goods	(239.84)	-	(239.84)	220.33	**(19.51)**
Changes in inventories of Finished goods and traded goods	13.35	-	13.35	16.03	**29.38**
Employee benefits expense	(9,946.34)	(596.23)	(10,542.57)	0.00	**(10,542.57)**
Finance costs	(103.94)	(4.97)	(108.91)	32.90	**(76.01)**
Depreciation and amortization expense	(118.03)	(30.30)	(148.33)	(13.34)	**(161.67)**
Impairment losses on financial instrument and contract assets	(63.55)	(3.14)	(66.69)	(0.00)	**(66.69)**
Fair value changes in Liability payable/paid to promoters of acquired subsidiary	-	-	-	(29.37)	**(29.37)**
Other expenses	(1,117.42)	(400.38)	(1,517.80)	37.22	**(1,480.58)**
Segment Profit	**279.51**	**106.98**	**386.49**	**(19.92)**	**366.57**
Total Assets	**5,874.30**	**671.81**	**6,546.11**	**(499.81)**	**6,046.30**
Total Liabilities	**3,150.54**	**425.90**	**3,576.44**	**31.09**	**3,607.53**
Other Information					
Capital Expenditure (CWIP)	-	-	-	-	-
Depreciation & Amortization expense	(130.32)	(30.30)	(160.62)	(1.05)	(161.67)

Information about major customers

Revenue from one customer amounting to ₹ 773.92 millions (March 31, 2022: ₹ 1,481.70 millions; March 31, 2021: ₹ 1,150.90 millions; March 31, 2020: ₹ 650.85 millions), constitute more than 10% of the total revenue of the Holding Company in the respective years / periods.

(All amounts are in millions of Indian Rupees unless otherwise stated)

48 Related party disclosures

(A) Names of related parties and nature of relationship are as follows:

Description of Relationship	Name of the related parties
Subsidiary	Updater Services Foundation (Section 8 Company)[@]
	Avon Solutions & Logistics Private Limited
	Integrated Technical Staffing and Solutions Private Limited
	Stanworth Management Private Limited
	Tangy Supplies & Solutions Private Limited
	Fusion Foods and Catering Private Limited
	Wynwy Technologies Private Limited (formerly known as Zappy Home Solutions Private Limited)
	Global Flight Handling Services Private Limited
	Matrix Business Services India Private Limited (w.e.f April 25, 2019)
	Washroom Hygiene Concepts Private Limited (w.e.f September 5, 2019)
	Denave India Private Limited (w.e.f October 27, 2021)
Step down Subsidiary company	Denave Europe Limited, UK (w.e.f October 27, 2021)
	Denave (M) SDN BHD, Malaysia (w.e.f October 27, 2021)
	Denave Poland Sp. Z.o.o (w.e.f October 27, 2021)
	Global Flight Handling Services (Pune) Private Limited (w.e.f February 17, 2021)
	Global Flight Handling Services (Patna) Private Limited (w.e.f May 14, 2021)
	Global Flight Handling Services (Raipur) Private Limited (w.e.f October 20, 2021)
	Global Flight Handling Services (Vizag) Private Limited (w.e.f May 18, 2021)
	Global Flight Handling Services (Surat) Private Limited (w.e.f October 14, 2021)
Entities under Common Control	Best Security Services Private Limited
	Tangy Facility Solutions Private Limited
	Tangirala Infrastructure Development Private Limited
	Denave Pte Limited, Singapore
	Updater services Private Limited - Employees group gratuity scheme
Key Management Personnel (KMP)	Mr. Raghunandana Tangirala, Director
	Ms. Shanthi Tangirala, Director (until June 23, 2022)
	Mr. Jayaram L B, Company Secretary (until March 4, 2023)
	Mr. B Ravishankar, Company Secretary (from March 6, 2023)
	Mr. Omprakash B R, Chief Financial Officer (from June 01, 2019 until January 10. 2020)
	Mr. Balaji Swaminathan, Chief Financial Officer (from January 10. 2020)
	Mr. Sunil Rewachand Chandiramani, Director
	Mr. Amitabh Jaipuria, Chief Executive officer (from March 01, 2022 until March 04, 2023)
	Mr. Amitabh Jaipuria, Director (from March 04, 2023)
	Mr. Amit Choudhary, Director
	Mr. Shankar Gopalakrishnan, Director (from April 25, 2020 until March 21, 2023)
	Mr. Vijay Dhanuka, Director (from February 13, 2017 until March 21, 2023)
	Mr. Pondicherry Chidambaram Balasubramanian, Director (from September 13, 2022)
	Ms. Sangeetha Sumesh, Director (from. September 13, 2022)

[@] The shareholding of this entity is held by the Company and therefore this entity would constitute a subsidiary under the Companies Act, 2013. However, the Group has determined that the Company does not control the entity since there's neither any exposure nor any right over any kind of returns from investee. Hence, basis the requirements of IND AS 110, the same is not considered a subsidiary for the purpose of this financial statement.

(All amounts are in millions of Indian Rupees unless otherwise stated)

(B) Transactions entered during the year / period:

S. No	Name of Related Party	Nature of transaction	For the six months period ended September 30, 2022	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
1	**Expenses incurred**					
	Mr. Raghunandana Tangirala	Rent Expense	5.75	11.50	10.96	11.44
	Ms. Shanthi Tangirala		5.72	11.44	10.96	11.44
	Best Security Services Private Limited	Services received	16.22	18.71	17.21	20.68
	Tangirala Infrastructure Development Private Limited		-	-	0.23	-
	Updater Services (UDS) Foundation	Reimbursement / (recovery) of expenses	-	-	-	0.01
	Mr. Shankar Gopalakrishnan		-	-	-	0.01
	Best Security Services Private Limited		-	-	0.15	-
	Updater Services (UDS) Foundation	CSR Expenses	-	-	6.75	6.97
2	**Incomes earned**					
	Tangirala Infrastructure Development Private Limited	Services Provided	-	0.00*	0.01	0.10
	Updater Services (UDS) Foundation		-	0.24	0.36	0.48
	Best Security Services Private Limited	Supply of Material	-	2.88	1.79	1.08
3	**Remuneration to Key Management Personnel**					
	Mr. Raghunandana Tangirala	Salary and other employee benefits**	9.60	19.20	14.96	19.20
	Mr, Amitabh Jaipurai		8.19	1.37	-	-
	Mr. Jayaram L B		0.59	0.90	2.06	5.48
	Mr. Pondicherry Chidambaram Balasubramanian		1.48			
	Mr. Balaji Swaminathan		3.08	6.31	4.01	1.67
	Mr. Om Prakash B R		-	-	-	4.43
4	**Payments to Non-executive directors**					
	Mr. Sunil Rewachand Chandiramani	Director sitting fees	0.30	1.10	-	1.20
	Mr. Shankar Gopalakrishnan		-	-	-	1.20
	Mr. Amit Choudhary		0.10	1.00	-	-
5	**Deposits Paid / (Refunded)**					
	Mr. Raghunandana Tangirala	Deposits Paid	-	-	1.91	-
	Ms. Shanthi Tangirala		-	-	1.91	-
6	**Contribution to Gratuity**					
	Updater Services Private Limited - Employees Company Gratuity Scheme	Contribution to Gratuity	13.20	17.23	18.50	32.73

*Amounts are less than ₹ 5,000.
**The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as these are determined on an actuarial basis for the Company as a whole. The employee stock compensation expenses for the period ended September 30, 2022 includes charge of NIL and for the years ended March 31, 2022, March 31, 2021 and March 31, 2020 include charges of ₹ 0.18 millions, ₹ 0.09 millions and ₹ 1.99 millions towards key managerial personal respectively.

(All amounts are in millions of Indian Rupees unless otherwise stated)

Terms and conditions of transactions with related parties

The sales to and purchases from related party are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end and period-end are unsecured and interest free and settlement occurs in cash.

(C) Balances outstanding at the end of the year / period:

S. No	Name of Related Party	Nature of transaction	As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
1	Updater Services (UDS) Foundation	Investment in Equity	0.10	0.10	0.10	0.10
2	Mr. Raghunandana Tangirala	Security Deposits (Asset)	11.44	11.44	11.44	9.53
3	Ms. Shanthi Tangirala		11.44	11.44	11.44	9.53
4	Mr. Raghunandana Tangirala	Rental Payable	0.01	0.01	-	-
5	Best Security Services Private Limited	Trade Payable	1.46	2.97	1.51	3.82
6	Mr. Raghunandana Tangirala		3.39	0.54	-	0.42
7	Ms. Shanthi Tangirala		4.21	0.59	-	2.69
8	Tangirala Infrastructure Development Private Limited		-	-	-	0.03
9	Mr Amit Choudhary	Director Fee payable	0.02	0.27	-	-
10	Mr. Shankar Gopalakrishnan		-	-	-	0.54
11	Mr. Sunil Rewachand Chandiramani		0.00*	0.27	-	0.54
12	Updater Services (UDS) Foundation	Trade Receivable	0.27	0.27	0.06	0.62
13	Tangirala Infrastructure Development Private Limited		-	0.00*	-	-

*Amounts are less than ₹ 5,000.

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(All amounts are in millions of Indian Rupees unless otherwise stated)

(D) Transactions eliminated during the year / period:

(i) Updater Services Limited:

S. No	Name of Related Party	Nature of transaction	For the six months period ended September 30, 2022	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
1	Avon Solutions & Logistics Private Limited	Sale of services	2.85	3.57	-	-
		Services received	0.01	0.00*	0.00*	0.01
2	Denave India Private Limited	Services received	-	2.56	-	-
3	Global Flight Handling Services Private Limited	Interest income	4.09	2.83	0.66	-
		Sale of services	23.70	14.66	-	-
		Loan given	36.11	53.24	3.65	3.20
		Loan Repayment Received	-	-	-	3.45
		Services received	-	-	-	1.20
4	Integrated Technical Staffing and Solutions Private Limited	Interest income	-	-	-	0.26
		Services received	-	2.00	2.77	0.98
		Loan Repayment Received	-	-	0.26	2.39
5	Matrix Business Services India Private Limited	Reimbursement of Expenses Received	-	-	-	2.36
		Sale of services	-	0.03	0.19	4.20
		Services received	0.09	0.04	0.02	0.00*
6	Stanworth Management Private Limited	Interest income	0.12	0.25	1.49	2.98
		Reimbursement of Expenses Received	-	0.19	-	0.01
		Security Deposit Refund	-	-	2.98	-
		Services received	-	13.95	22.74	32.57
		Loan given	-	2.50	-	-
		Loan Repayment Received	0.14	5.40	19.44	22.54
7	Tangy Supplies & Solutions Private Limited	Purchase of Fixed Assets	16.83	16.78	16.87	37.78
		Purchase of materials	120.91	198.73	200.63	252.17
		Reimbursement of Expenses Received	-	-	-	1.25
		Sale of services	0.05	0.10	0.07	0.15
8	Washroom Hygiene Concepts Private Limited	Reimbursement of Expenses Received	-	-	-	2.29
		Services received	0.52	1.23	0.73	0.21
9	Wynwy Technologies Private Limited	Interest income	5.02	8.27	6.64	-
		Purchase of Fixed Assets	-	-	1.55	-
		Sale of services	0.03	0.04	-	-
		Services received	-	-	-	1.15
		Loan Repayment Received	-	-	1.85	1.28
		Loan given	13.26	28.87	1.91	5.29

*Amounts are less than ₹ 5,000.

(All amounts are in millions of Indian Rupees unless otherwise stated)

(ii) Avon Solutions & Logistics Private Limited

S. No	Name of Related Party	Nature of transaction	For the six months period ended September 30, 2022	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
1	Matrix Business Services India Private Limited	Sale of services	-	0.01	-	-
		Services received	0.01	0.06	-	-
2	Tangy Supplies & Solutions Private Limited	Purchase of Fixed Assets	-	0.00*	-	-
		Purchase of materials	0.02	-	0.03	0.00*
		Sale of services	-	-	0.01	0.01
3	Updater Services Limited	Sale of services	0.01	0.00*	0.00*	0.01
		Services received	2.85	3.57	-	-
4	Washroom Hygiene Concepts Private Limited	Purchase of Fixed Assets	-	0.08	-	-
		Purchase of goods	0.04	-	-	-
		Sale of services	1.73	0.82	0.01	-

*Amounts are less than ₹ 5,000.

(iii) Integrated Technical Staffing and Solutions Private Limited

S. No	Name of Related Party	Nature of transaction	For the six months period ended September 30, 2022	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
1	Tangy Supplies & Solutions Private Limited	Materials purchased	0.28	1.99	1.41	1.63
2	Updater Services Limited	Sale of services	-	2.00	2.77	0.98
		Interest expense	-	-	-	0.26
		Loan repayment	-	-	0.26	2.39

(iv) Stanworth Management Private Limited

S. No	Name of Related Party	Nature of transaction	For the six months period ended September 30, 2022	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
1	Fusion Foods and Catering Private Limited	Sale of services	0.10	1.63	4.31	0.81
		Services received	0.29	0.15	0.32	-
2	Tangy Supplies & Solutions Private Limited	Materials purchased	1.94	3.56	1.78	5.56
3	Updater Services Limited	Interest Expenses	0.12	0.25	1.49	2.98
		Loan Repayment	0.14	5.40	19.44	22.54
		Loan received	-	2.50	-	-
		Security Deposits returned	-	-	2.98	-
		Reimbursement of Expenses	-	0.19	-	0.01
		Sale of services	-	13.95	22.74	32.57

Updater Services Limited (Formerly known as Updater Services Private Limited)
Annexure VI - Consolidated Summary Statement of Notes and other explanatory information forming part of Restated Consolidated Summary Statements
(All amounts are in millions of Indian Rupees unless otherwise stated)

(v) Tangy Supplies & Solutions Private Limited

S. No	Name of Related Party	Nature of transaction	For the six months period ended September 30, 2022	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
1	Avon Solutions & Logistics Private Limited	Sale of materials	0.02	-	0.03	0.00*
		Sale of Equipment	-	0.00*	-	-
		Services received	-	-	0.01	0.01
2	Fusion Foods and Catering Private Limited	Sale of materials	1.34	3.37	1.28	-
3	Global Flight Handling Services Private Limited	Sale of materials	1.73	0.90	-	-
4	Integrated Technical Staffing and Solutions Private Limited	Sale of materials	0.28	1.99	1.41	1.63
5	Matrix Business Services India Private Limited	Sale of materials	-	0.18	0.03	-
6	Stanworth Management Private Limited	Sale of materials	1.94	3.56	1.78	5.56
7	Updater Services Limited	Reimbursement of Expenses Received	-	-	-	1.25
		Sale of Equipment	16.83	16.78	16.87	37.78
		Sale of materials	120.91	198.73	200.63	252.17
		Services received	0.05	0.10	0.07	0.15
8	Washroom Hygiene Concepts Private Limited	Sale of materials	0.18	0.48	0.01	-
		Services received	0.00*	0.22	2.38	5.09
		Sale of Services	1.73	-	-	-
		Purchase of materials	0.18	-	-	-
9	Wynwy Technologies Private Limited	Sale of materials	-	-	-	0.05
		Services received	-	-	-	0.01

*Amounts are less than ₹ 5,000.

(vi) Fusion Foods and Catering Private Limited

S. No	Name of Related Party	Nature of transaction	For the six months period ended September 30, 2022	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
1	Stanworth Management Private Limited	Sale of services	0.29	0.15	0.32	-
		Services received	0.10	1.63	4.31	0.81
2	Tangy Supplies & Solutions Private Limited	Materials purchased	1.34	3.37	1.28	-

(vii) Wynwy Technologies Private Limited (formerly known as Zappy Home Solutions Private Limited

S. No	Name of Related Party	Nature of transaction	For the six months period ended September 30, 2022	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
1	Tangy Supplies & Solutions Private Limited	Purchase of materials	-	-	-	0.05
		Sale of services	-	-	-	0.01
2	Updater Services Limited	Interest Expenses	5.02	8.27	6.64	-
		Sale of goods	-	-	1.55	-
		Sale of services	-	-	-	1.15
		Services received	0.03	0.04	-	-
		Loan Repayment	-	-	1.85	1.28
		Loan Received	13.26	28.87	1.91	5.29

(All amounts are in millions of Indian Rupees unless otherwise stated)

(viii) Global Flight Handling Services Private Limited

S. No	Name of Related Party	Nature of transaction	For the six months period ended September 30, 2022	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
1	Tangy Supplies & Solutions Private Limited	Materials purchased	1.73	0.90	-	-
2	Updater Services Limited	Interest Expenses	4.09	2.83	0.66	-
		Sale of services	-	-	-	1.20
		Loan Received	36.11	53.24	3.65	3.20
		Loan Repaid	-	-	-	3.45
		Services received	23.70	14.66	-	-
3	Global Flight Handling Services (Patna) Private Limited	Interest Income	0.26	-	-	-
4	Global Flight Handling Services (Raipur) Private Limited	Interest Income	0.18	-	-	-
5	Global Flight Handling Services (Surat) Private Limited	Interest Income	0.24	-	-	-
6	Global Flight Handling Services (Vizag) Private Limited	Interest Income	0.14	-	-	-
7	Global Flight Handling Services (Pune) Private Limited	Interest Income	1.78	-	-	-
		Services provided	-	-	0.50	-

(ix) Matrix Business Services India Private Limited

S. No	Name of Related Party	Nature of transaction	For the six months period ended September 30, 2022	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
1	Avon Solutions & Logistics Private Limited	Services received	-	0.01	-	-
		Sale of services	0.01	0.06	-	-
2	Denave India Private Limited	Sale of services	0.01	0.02	-	-
		Services received	0.64	-	-	-
3	Tangy Supplies & Solutions Private Limited	Other Expenses	-	0.18	0.03	-
4	Updater Services Limited	Reimbursement of Expenses Received	-	-	-	2.36
		Sale of services	0.09	0.04	0.02	0.00*
		Services received	-	0.03	0.19	4.20
5	Washroom Hygiene Concepts Private Limited	Services received	0.07	0.04	0.03	-

*Amounts are less than ₹ 5,000.

(All amounts are in millions of Indian Rupees unless otherwise stated)

(x) Washroom Hygiene Concepts Private Limited

S. No	Name of Related Party	Nature of transaction	For the six months period ended September 30, 2022	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
1	Avon Solutions & Logistics Private Limited	Sale of goods	0.04	-	-	-
		Sale of Equipment	-	0.08	-	-
		Services received	1.73	0.82	0.01	-
2	Matrix Business Services India Private Limited	Sale of services	0.07	0.04	0.03	-
3	Tangy Supplies & Solutions Private Limited	Purchase of materials	0.18	0.48	0.01	-
		Sale of goods	0.18	-	-	-
		Sale of services	0.00*	0.22	2.38	5.09
		Services received	1.73	-	-	-
4	Updater Services Limited	Reimbursement of Expenses Received	-	-	-	2.29
		Sale of goods	-	0.33	0.38	-
		Sale of services	0.52	0.90	0.35	0.21

(xi) Denave India Private Limited

S. No	Name of Related Party	Nature of transaction	For the six months period ended September 30, 2022	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
1	Matrix Business Services India Private Limited	Sale of services	0.64	-	-	-
		Services received	0.01	0.02	-	-
2	Updater Services Limited	Sale of services	-	2.56	-	-
3	Denave Pte Limited	Services rendered	39.48	119.70	-	-
		Services received	275.96	391.51	-	-
4	Denave Europe Limited	Services rendered	13.51	19.32	-	-
		Services received	8.28	22.64	-	-
5	Denave (M) SDN BHD	Services rendered	12.16	29.99	-	-

(xii) Denave Pte Limited

S. No	Name of Related Party	Nature of transaction	For the six months period ended September 30, 2022	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
1	Denave India Private Limited	Services rendered	275.96	391.51	-	-
		Services received	39.48	119.70	-	-
2	Denave (M) SDN BHD	Services received	194.09	271.72	-	-

(xiii) Denave Europe Limited

S. No	Name of Related Party	Nature of transaction	For the six months period ended September 30, 2022	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
1	Denave India Private Limited	Services rendered	8.28	22.64	-	-
		Services received	13.51	19.32	-	-

(All amounts are in millions of Indian Rupees unless otherwise stated)

(xiv) Denave (M) SDN BHD

S. No	Name of Related Party	Nature of transaction	For the six months period ended September 30, 2022	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
1	Denave India Private Limited	Services received	12.16	29.99	-	-
2	Denave Pte Limited	Services rendered	194.09	271.72	-	-

(xv) Global Flight Handling Services (Pune) Private Limited

S. No	Name of Related Party	Nature of transaction	For the six months period ended September 30, 2022	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
1	Global Flight Handling Services Private Limited	Services received	-	-	0.50	-
		Interest Expense	1.78	-	-	-

(xvi) Global Flight Handling Services (Patna) Private Limited

S. No	Name of Related Party	Nature of transaction	For the six months period ended September 30, 2022	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
1	Global Flight Handling Services Private Limited	Interest Expense	0.26	-	-	-

(xvii) Global Flight Handling Services (Raipur) Private Limited

S. No	Name of Related Party	Nature of transaction	For the six months period ended September 30, 2022	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
1	Global Flight Handling Services Private Limited	Interest Expense	0.18	-	-	-

(xvii) Global Flight Handling Services (Vizag) Private Limited

S. No	Name of Related Party	Nature of transaction	For the six months period ended September 30, 2022	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
1	Global Flight Handling Services Private Limited	Interest Expense	0.14	-	-	-

(xvii) Global Flight Handling Services (Surat) Private Limited

S. No	Name of Related Party	Nature of transaction	For the six months period ended September 30, 2022	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
1	Global Flight Handling Services Private Limited	Interest Expense	0.24	-	-	-

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Updater Services Limited (Formerly known as Updater Services Private Limited)
Annexure VI - Consolidated Summary Statement of Notes and other explanatory information forming part of Restated Consolidated Summary Statements
(All amounts are in millions of Indian Rupees unless otherwise stated)

(E) Balances eliminated as at the end of the year / period:

(i) Updater Services Limited:

S. No	Name of Related Party	Nature of transaction	As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
1	Avon Solutions & Logistics Private Limited	Trade Receivables	0.62	0.53	-	-
2	Denave India Private Limited	Trade Payables	-	0.28	-	-
3	Global Flight Handling Services Private Limited	Loan Receivable	101.88	62.29	9.05	5.39
		Trade Receivables	44.26	14.66	-	-
		Interest accrued and due receivable	4.09	3.48	0.66	-
4	Integrated Technical Staffing and Solutions Private Limited	Trade Payables	1.92	2.00	1.99	0.96
		Interest accrued and due receivable	-	-	-	0.26
5	Matrix Business Services India Private Limited	Trade Payables	0.04	0.04	0.00*	0.01
		Trade Receivables	-	-	-	0.94
6	Stanworth Management Private Limited	Loan Receivable	2.50	2.50	3.77	20.42
		Security Deposits	-	-	-	2.98
		Trade Payables	2.03	2.51	3.13	3.80
		Interest accrued and due receivable	-	0.02	1.37	2.68
7	Tangy Supplies & Solutions Private Limited	Trade Payables	66.87	63.29	58.58	67.46
		Capital Creditors	16.01	6.26	8.50	8.41
		Trade Receivables	0.66	0.01	0.01	0.06
8	Washroom Hygiene Concepts Private Limited	Other Receivables	-	-	-	2.29
		Trade Payables	0.51	0.30	0.25	0.08
9	Wynwy Technologies Private Limited	Loan Receivable	131.86	98.67	69.68	69.62
		Trade Receivables	-	0.01	-	-
		Interest accrued and due	-	14.91	6.64	-

(ii) Avon Solutions & Logistics Private Limited

S. No	Name of Related Party	Nature of transaction	As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
1	Matrix Business Services India Private Limited	Trade Payables	0.01	0.04	-	-
2	Tangy Supplies & Solutions Private Limited	Trade Payables	0.02	-	-	0.00*
3	Updater Services Limited	Trade Payables	0.62	0.53	-	-
		Trade Receivables	-	0.00*	-	-
4	Washroom Hygiene Concepts Private Limited	Trade Payables	0.00*	-	-	-
		Trade Receivables	0.32	0.12	-	-

*Amounts are less than ₹ 5,000.

(All amounts are in millions of Indian Rupees unless otherwise stated)

(iii) Integrated Technical Staffing and Solutions Private Limited

S. No	Name of Related Party	Nature of transaction	As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
1	Tangy Supplies & Solutions Private Limited	Trade Payables	0.80	0.50	0.17	0.09
2	Updater Services Limited	Trade Receivables	1.92	2.00	1.99	0.96
		Interest accrued and due payable	-	-	-	0.26

(iv) Stanworth Management Private Limited

S. No	Name of Related Party	Nature of transaction	As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
1	Fusion Foods and Catering Private Limited	Trade Payables	0.25	0.07	-	0.95
		Trade Receivables	-	-	0.37	-
2	Tangy Supplies & Solutions Private Limited	Trade Payables	1.78	2.14	0.62	1.98
3	Updater Services Limited	Loan Payable	2.50	2.50	3.77	20.42
		Security Deposits Payable	-	-	-	2.98
		Trade Receivables	2.03	2.51	3.13	3.80
		Interest accrued and due payable	-	0.02	1.37	2.68

(v) Tangy Supplies & Solutions Private Limited

S. No	Name of Related Party	Nature of transaction	As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
1	Avon Solutions & Logistics Private Limited	Trade Receivables	0.02	-	-	0.00*
2	Fusion Foods and Catering Private Limited	Trade Receivables	0.61	0.46	0.45	-
3	Global Flight Handling Services Private Limited	Trade Receivables	2.50	0.93	-	-
4	Integrated Technical Staffing and Solutions Private Limited	Trade Receivables	0.80	0.50	0.17	0.09
5	Matrix Business Services India Private Limited	Trade Receivables	-	-	0.01	-
6	Stanworth Management Private Limited	Trade Receivables	1.78	2.14	0.62	1.98
7	Updater Services Limited	Trade Payables	0.66	0.01	0.01	0.06
		Trade Receivables	82.88	69.55	67.08	75.87
8	Washroom Hygiene Concepts Private Limited	Trade Payables	0.02	-	0.03	0.03
		Trade Receivables	0.09	0.08	0.01	0.15

*Amounts are less than ₹ 5,000.

(All amounts are in millions of Indian Rupees unless otherwise stated)

(vi) Fusion Foods and Catering Private Limited

S. No	Name of Related Party	Nature of transaction	As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
1	Stanworth Management Private Limited	Trade Payables	-	-	0.37	-
		Trade Receivables	0.25	0.07	-	0.95
2	Tangy Supplies & Solutions Private Limited	Trade Payables	0.61	0.46	0.45	-

(vii) Wynwy Technologies Private Limited (formerly known as Zappy Home Solutions Private Limited

S. No	Name of Related Party	Nature of transaction	As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
1	Updater Services Limited	Loan Payable	131.86	98.67	69.68	69.62
		Interest accrued and due	-	14.91	6.64	-
		Trade Payables	-	0.01	-	-

(viii) Global Flight Handling Services Private Limited

S. No	Name of Related Party	Nature of transaction	As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
1	Tangy Supplies & Solutions Private Limited	Trade Payables	2.50	0.93	-	-
2	Updater Services Limited	Interest accrued	4.09	3.48	0.66	-
		Loan Payable	101.88	62.29	9.05	5.39
		Trade Payables	44.26	14.66	-	-
3	Global Flight Handling Services (Patna) Private Limited	Loan receivable	9.31	0.87	-	-
4	Global Flight Handling Services (Raipur) Private Limited	Loan receivable	4.41	3.75	-	-
5	Global Flight Handling Services (Surat) Private Limited	Loan receivable	5.42	5.13	-	-
6	Global Flight Handling Services (Vizag) Private Limited	Loan receivable	6.62	0.34	-	-
7	Global Flight Handling Services (Pune) Private Limited	Trade Receivable	-	-	0.50	-
		Loan receivable	36.92	29.79	1.31	-

(ix) Matrix Business Services India Private Limited

S. No	Name of Related Party	Nature of transaction	As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
1	Avon Solutions & Logistics Private Limited	Trade Receivables	0.01	0.04	-	-
2	Denave India Private Limited	Trade Receivables	0.01	0.03	-	-
3	Updater Services Limited	Trade Payables	-	-	-	0.94
		Trade Receivables	0.04	0.04	0.00*	0.01
4	Washroom Hygiene Concepts Private Limited	Trade Payables	0.01	0.00*	0.01	-
5	Tangy Supplies & Solutions Private Limited	Trade Payables	-	-	0.01	-

*Amounts are less than ₹ 5,000.

(All amounts are in millions of Indian Rupees unless otherwise stated)

(x) Washroom Hygiene Concepts Private Limited

S. No	Name of Related Party	Nature of transaction	As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
1	Avon Solutions & Logistics Private Limited	Trade Payables	0.32	0.12	-	-
		Trade Receivables	0.00*	-	-	-
2	Matrix Business Services India Private Limited	Trade Receivables	0.01	0.00*	0.01	-
3	Tangy Supplies & Solutions Private Limited	Trade Payables	0.09	0.08	0.01	0.15
		Trade Receivables	0.02	-	0.03	0.03
4	Updater Services Limited	Other Payable	-	-	-	2.29
		Trade Receivables	0.51	0.30	0.25	0.08

*Amounts are less than ₹ 5,000.

(xi) Denave India Private Limited

S. No	Name of Related Party	Nature of transaction	As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
1	Matrix Business Services India Private Limited	Trade Payables	0.01	0.03	-	-
2	Updater Services Limited	Trade Receivables	-	0.28	-	-
		Trade Payables	-	-	-	-
3	Denave Pte Limited	Trade Receivables	41.71	61.44	-	-
		Trade Payables	136.47	111.74	-	-
4	Denave (M) SDN BHD	Trade Receivables	2.25	10.78	-	-
		Trade Payables	-	1.30	-	-
5	Denave Europe Limited	Trade Receivables	4.48	5.06	-	-
		Trade Payables	1.32	5.20	-	-

(xii) Denave Pte Limited

S. No	Name of Related Party	Nature of transaction	As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
1	Denave India Private Limited	Trade Receivables	136.47	111.74	-	-
		Trade Payables	41.71	61.44	-	-
2	Denave (M) SDN BHD	Trade Receivables	62.59	67.51	-	-

(xiii) Denave Europe Limited

S. No	Name of Related Party	Nature of transaction	As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
1	Denave India Private Limited	Trade Receivables	1.32	5.20	-	-
		Trade Payables	4.48	5.06	-	-
2	Denave Poland Sp Z.o.o	Other Receivables	0.58	0.64	-	-

(xiv) Denave (M) SDN BHD

S. No	Name of Related Party	Nature of transaction	As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
1	Denave India Private Limited	Trade Receivables	-	1.30	-	-
		Trade Payables	2.25	10.78	-	-
2	Denave Pte Limited	Trade Payables	62.59	67.51	-	-

(All amounts are in millions of Indian Rupees unless otherwise stated)

(xv) Denave Poland Sp Z.o.o.

S. No	Name of Related Party	Nature of transaction	As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
1	Denave Europe Private Limited	Other Payables	0.58	0.64	-	-

(xvi) Global Flight Handling Services (Pune) Private Limited

S. No	Name of Related Party	Nature of transaction	As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
1	Global Flight Handling Services Private Limited	Loan repayable	36.92	29.79	1.31	-
		Trade Payable	-	-	0.50	-
2	Global Flight Handling Services (Patna) Private Limited	Loan receivable	0.48	0.60	-	-

(xvii) Global Flight Handling Services (Patna) Private Limited

S. No	Name of Related Party	Nature of transaction	As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
1	Global Flight Handling Services Private Limited	Loan repayable	9.31	0.87	-	-
2	Global Flight Handling Services (Pune) Private Limited	Loan repayable	0.48	0.60	-	-

(xviii) Global Flight Handling Services (Raipur) Private Limited

S. No	Name of Related Party	Nature of transaction	As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
1	Global Flight Handling Services Private Limited	Loan repayable	4.41	3.75	-	-

(xix) Global Flight Handling Services (Vizag) Private Limited

S. No	Name of Related Party	Nature of transaction	As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
1	Global Flight Handling Services Private Limited	Loan repayable	6.62	0.34	-	-

(xx) Global Flight Handling Services (Surat) Private Limited

S. No	Name of Related Party	Nature of transaction	As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
1	Global Flight Handling Services Private Limited	Loan repayable	5.42	5.13	-	-

49 Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the standalone financial statements:

a) Determining the lease term of contracts with renewal and termination options – Company as lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has lease contracts and rental contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

The Company included the renewal period as part of the lease term for leases of Building with shorter non-cancellable period (i.e., three to five years). The renewal periods for leases of building with longer non-cancellable periods (i.e., 10 to 15 years) are not included as part of the lease term as these are not reasonably certain to be exercised. Furthermore, the periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

Refer to Note 43 for information on potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

a) Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other post-employment leave encashment benefit and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Further details about defined benefit obligations are given in Note 42.

b) Estimate related to expected price concession

Expected price concessions from customers are based on assumptions relating to risk of credit notes issued. The Group uses judgment in making these assumptions and selecting the inputs to the calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

c) Impairment of goodwill and intangible assets with indefinite

Impairment exists when the carrying value of goodwill or the cash generating unit exceeds its recoverable amount, which is its value in use. The value in use calculation is based on a DCF model. The cash flows are derived from the budgets and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

d) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 50 for further disclosures.

Contingent consideration, resulting from business combinations, is valued at fair value at the acquisition date as part of the business combination. When the contingent consideration meets the definition of a financial liability, it is subsequently remeasured to fair value at each reporting date. The determination of the fair value is based on discounted cash flows. The key assumptions take into consideration the probability of meeting each performance target and the discount factor. (see 48 for details)

e) Share-based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimation requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The Black Scholes valuation model has been used by the Management for share-based payment transactions. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 44.

f) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the forecast period and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Group. The key assumptions used to determine the recoverable amount for the different CGUs, including a sensitivity analysis, are disclosed and further explained in Note 3A.

(All amounts are in millions of Indian Rupees unless otherwise stated)

g) Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

These losses relate to subsidiaries that have a history of losses, expire in 8 years and may not be used to offset taxable income elsewhere in the Group. The subsidiaries neither have any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Group has determined that it cannot recognise deferred tax assets on the tax losses carried forward.

50 Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those the carrying amounts that are reasonable approximations of fair values:

Particulars- Non-Current & Current	Carrying value			
	September 30, 2022	March 31, 2022	March 31, 2021	March 31, 2020
Financial liabilities				
Liability payable to promoters of acquired subsidiary	1,336.49	1,062.10	168.69	223.85
Total	**1,336.49**	**1,062.10**	**168.69**	**223.85**

Particulars- Non-Current & Current	Fair value			
	September 30, 2022	March 31, 2022	March 31, 2021	March 31, 2020
Financial liabilities				
Liability payable to promoters of acquired subsidiary	1,336.49	1,062.10	168.69	223.85
Total	**1,336.49**	**1,062.10**	**168.69**	**223.85**

The management assessed that cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, trade payables, bank overdrafts, borrowings, other financial assets, loans and Other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. Investment are measured at cost.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

51 Fair value hierarchy

The following table provides the fair value measurement hierarchy of group's asset and liabilities

Particulars	Fair value Hierarchy	Carrying value			
		September 30, 2022	March 31, 2022	March 31, 2021	March 31, 2020
Financial liabilities					
Liability payable to promoters of acquired subsidiary	Level 3	1,336.49	1,062.10	168.69	223.85
Total		**1,336.49**	**1,062.10**	**168.69**	**223.85**

Particulars	Fair value Hierarchy	Fair value			
		September 30, 2022	March 31, 2022	March 31, 2021	March 31, 2020
Financial liabilities					
Liability payable to promoters of acquired subsidiary	Level 3	1,336.49	1,062.10	168.69	223.85
Total		**1,336.49**	**1,062.10**	**168.69**	**223.85**

There have been no transfers between the levels during the year / period. The management assessed that cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, trade payables, bank overdrafts, borrowings, other financial assets, loans and Other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. Investment are measured at cost.

Notes

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
Level 2 inputs are inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3 inputs are unobservable inputs for the asset or liability.

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(All amounts are in millions of Indian Rupees unless otherwise stated)

52 Financial risk management objectives and policies

The Group's principal financial liabilities is borrowings, trade payables and employee benefit payable. The main purpose of these financial liabilities is to raise finance for the Group's operations. The Group has various financial assets such as loan, trade and other receivables, cash and short-term deposits, which arise directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and loans receivables.

Trade and other receivables

In cases of customers where credit is allowed, the average credit period on such sale of goods ranges from 1 day to 90 days. The customer credit risk is managed by the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on the individual credit limits are defined in accordance with this assessment and outstanding customer receivables are regularly monitored.

Ind AS requires an entity to recognise in profit or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised in accordance with Ind AS 109. The Group assesses at each date of statements of financial position whether a financial asset or a group of financial assets is impaired. Expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a age wise provision matrix which is prepared considering the historical data for collection of receivables. The disclosure of estimated price concession "EPC" and estimated credit loss "ECL" relating to holding company is shown in below table.

As at September 30, 2022

Particulars	**Less than 120 days**	**More than 120 days**	**Total**
ECL & EPC rate	1.03%	25.43%	
Estimated total gross carrying amount at default	2,901.22	105.48	3,006.70
ECL- simplified approach	29.89	26.82	56.71
Net carrying amount	**2,871.33**	**78.66**	**2,949.99**

As at March 31, 2022

Particulars	**Less than 120 days**	**More than 120 days**	**Total**
ECL & EPC rate	1.30%	26.17%	
Estimated total gross carrying amount at default	2,212.21	136.93	2,349.14
ECL- simplified approach	28.66	35.84	64.50
Net carrying amount	**2,183.55**	**101.09**	**2,284.64**

As at March 31, 2021

Particulars	**Less than 120 days**	**More than 120 days**	**Total**
ECL & EPC rate	1.05%	29.01%	
Estimated total gross carrying amount at default	2,217.88	222.52	2,440.40
ECL- simplified approach	23.18	64.55	87.73
Net carrying amount	**2,194.70**	**157.97**	**2,352.67**

As at March 31, 2020

Particulars	**Less than 120 days**	**More than 120 days**	**Total**
ECL & EPC rate	0.95%	27.93%	
Estimated total gross carrying amount at default	3,035.40	164.25	3,199.65
ECL- simplified approach	32.42	44.31	76.73
Net carrying amount	**3,002.98**	**119.94**	**3,122.92**

Exposure to credit risk:

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk is ₹ 4224.62 millions (March 31, 2022: ₹ 3474.85 millions; March 31, 2021: ₹ 2689.38 millions; March 31, 2020: ₹ 3341.87 millions), being the total of the carrying amount of balances with trade receivables.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rate.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, with all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

Effect on profit before tax	**September 30, 2022**	**March 31, 2022**	**March 31, 2021**	**March 31, 2020**
Increase in rate by 2%	(11.43)	(17.07)	(7.78)	(17.99)
Decrease in rate by 2%	11.43	17.07	7.78	17.99

(All amounts are in millions of Indian Rupees unless otherwise stated)

Liquidity risk

Liquidity risk is the risk that the group will not be able to meet its financial obligations as they become due. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The group monitors its risk of a shortage of funds on a regular basis. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts.

The table below provides details regarding the contractual maturities of financial liabilities based on contractual undiscounted payments:

As at September 30, 2022

Particulars	Within 1 year	1-3 years	3-5 years	Total
Borrowings	1,502.86	137.85	57.43	1,698.14
Trade Payables	671.72	-	-	671.72
Other financial liabilities	2,549.46	506.68	-	3,056.14
Lease Liabilities	54.84	75.31	-	130.15
Total	**4,778.88**	**719.84**	**57.43**	**5,556.15**

As at March 31, 2022

Particulars	Within 1 year	1-3 years	3-5 years	Total
Borrowings	586.79	-	-	586.79
Trade Payables	456.79	-	-	456.79
Other financial liabilities	1,780.58	804.14	-	2,584.72
Lease Liabilities	52.49	91.48	-	143.97
Total	**2,876.65**	**895.62**	**-**	**3,772.27**

As at March 31, 2021

Particulars	Within 1 year	1-3 years	3-5 years	Total
Borrowings	116.10	-	-	116.10
Trade Payables	318.53	-	-	318.53
Other financial liabilities	1,174.37	84.43	-	1,258.80
Lease Liabilities	21.75	23.19	-	44.94
Total	**1,630.75**	**107.62**	**-**	**1,738.37**

As at March 31, 2020

Particulars	Within 1 year	1-3 years	3-5 years	Total
Borrowings	899.52	0.09	-	899.61
Trade Payables	369.30	-	-	369.30
Other financial liabilities	1,104.58	136.35	-	1,240.93
Lease Liabilities	31.88	39.45	-	71.33
Total	**2,405.28**	**175.89**	**-**	**2,581.17**

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Company operating activities (when revenue or expense is denominated in a foreign currency). However the net investment in subsidiaries are in Indian rupees, as a result there is no exposure to the risk of changes in foreign exchange rates. Consequently, the group does not uses derivative financial instruments, such as foreign exchange forward contracts, to mitigate the risk of changes in foreign currency exchange rates in respect of is forecasted cash flows and trade receivables.

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives and embedded derivatives.

Foreign Currency Risk Management:

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of each reporting period are as follows :

Particulars	Currency	As at September 30, 2022		As at March 31, 2022	
		Amount in FC	Amount in ₹ million	Amount in FC	Amount in ₹ million
Hedged by derivative instrument:					
USD Forward contract	USD	3.65	292.44	-	-
Not hedged by derivative:					
Trade Receivables	USD	0.48	38.75	2.75	207.03
	SGD	-	-	1.12	61.44
	GBP	-	-	0.05	5.06
	RM	-	-	0.63	11.14
Trade Payables	USD	0.00	0.20	0.01	0.60

(All amounts are in millions of Indian Rupees unless otherwise stated)

Particulars	Currency	As at March 31, 2021		As at March 31, 2020	
		Amount in FC	Amount in ₹ million	Amount in FC	Amount in ₹ million
Trade Receivables	USD	0.18	13.49	-	-
	AED	0.50	9.98	-	-
Trade Payables	USD	0.00	0.12	-	-

Foreign Currency sensitivity analysis :

The following table details the Group's sensitivity to a 5% increase and decrease in the INR against the relevant foreign currencies.5% is the rate used in order to determine the sensitivity analysis considering the past trends and expectation of the management for changes in the foreign currency exchange rate. The sensitivity analysis includes the outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates a increase in profit or equity where the INR Strengthens 5% against the relevant currency. For a 5% weakening of the INR against the relevant currency, there would be a comparable impact on the profit or equity and balance below would be negative.

USD/AED/SAR TO INR	Profit and Loss		Equity	
	Increase by 5%	Decrease by 5%	Increase by 5%	Decrease by 5%
September 30, 2022	1.93	1.93	1.93	1.93
March 31, 2022	11.28	11.28	11.28	11.28
March 31, 2021	11.67	11.67	11.67	11.67
March 31, 2020	-	-	-	-

Note :

This is mainly attributable to the exposure of receivable and payable outstanding in the above mentioned currencies to the Group at the end of the reporting period.

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(All amounts are in millions of Indian Rupees unless otherwise stated)

53 Material Partly - Owned Subsidiaries

Set out below is summarised financial information for each subsidiary that has non controlling interest that are material to the group. The amount disclosed for each subsidiary are before inter company eliminations.

A. Avon Solutions & Logistics Private Limited

Summarised balance sheet

Particulars	Avon Solutions & Logistics Private Limited			
	As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Cash and cash equivalents	4.62	1.22	6.17	4.05
Current assets excluding cash and cash equivalents	237.64	242.38	242.56	128.37
Non-current assets	276.57	219.76	91.24	46.20
Trade payables	29.41	34.37	26.83	9.74
Provisions	14.33	14.21	9.88	9.93
Net employee defined benefit liabilities	24.27	24.31	22.87	23.17
Current liabilities excluding trade payables and provisions	98.44	113.58	100.33	46.34
Borrowings	-	10.88	-	9.32
Non-current liabilities excluding borrowings	-	-	0.34	3.01
Equity	352.39	276.88	179.72	86.44
Share of NCI	24.00%	24.00%	24.00%	24.00%
Attributable to NCI	84.57	66.45	43.13	20.75

Summarised statement of profit and loss

Particulars	Avon Solutions & Logistics Private Limited			
	For the six months period ended September 30, 2022	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
Total Revenue	373.88	780.36	573.70	420.71
Employee benefits expense	124.80	234.56	225.22	286.12
Finance costs	0.11	0.40	0.89	1.86
Depreciation and amortization expense	1.10	3.30	3.06	3.59
Other expenses	147.42	335.00	209.97	111.84
Profit before tax	100.45	207.09	134.56	20.30
Income tax expense	25.63	55.55	34.24	6.93
Profit for the year / period	74.83	151.54	100.32	13.36
Other comprehensive income/(loss)	0.69	(0.05)	(7.03)	8.90
Total comprehensive income for the year / period	75.51	151.49	93.29	22.26
Attributable to NCI	18.12	36.36	22.39	5.34

Summarised cash flow statement

Particulars	Avon Solutions & Logistics Private Limited			
	For the six months period ended September 30, 2022	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
Operating activities	64.63	166.94	16.53	17.61
Investing activities	(49.87)	(126.07)	(1.45)	(15.80)
Financing activities	(11.40)	(45.81)	(12.96)	(1.85)
Net increase/(decrease) in cash and cash equivalents	3.35	(4.95)	2.12	(0.04)

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(All amounts are in millions of Indian Rupees unless otherwise stated)

B. Fusion Foods and Catering Private Limited (Wholly owned subsidiary from FY 21-22)
Summarised balance sheet

Particulars	**Fusion Foods and Catering Private Limited**			
	As at September 30, 2022	**As at March 31, 2022**	**As at March 31, 2021**	**As at March 31, 2020**
Cash and cash equivalents	Not a partly owned subsidiary	13.34	19.09	16.04
Current assets excluding cash and cash equivalents		119.75	125.25	163.07
Non-current assets		72.95	40.28	41.84
Trade payables		49.62	64.61	100.34
Provisions		9.38	7.69	6.25
Current liabilities excluding trade payables and provisions		53.66	30.56	135.14
Borrowings		-	-	0.69
Non-current liabilities excluding borrowings and provisions		10.17	8.05	18.22
Equity		83.20	73.73	67.59
Share of NCI		0.00%	34.60%	34.60%
Attributable to NCI		-	25.52	23.40

Summarised statement of profit and loss

Particulars	**Fusion Foods and Catering Private Limited**			
	For the six months period ended September 30, 2022	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**
Total Revenue	Not a partly owned subsidiary	654.77	549.76	712.41
Cost of materials consumed		391.83	343.33	477.22
Employee benefits expense		211.30	165.11	206.62
Finance costs		0.08	0.22	0.44
Depreciation and amortization expense		8.69	10.15	9.77
Other expenses		23.99	28.55	34.59
Profit before tax		18.89	2.40	(16.24)
Income tax expense		9.19	(2.55)	(2.97)
Profit for the year / period		9.70	4.95	(13.28)
Other comprehensive income/(loss)		(0.23)	1.18	0.30
Total comprehensive income for the year / period		9.47	6.13	(12.98)
Attributable to NCI		-	2.12	(4.49)

Summarised cash flow statement

Particulars	**Fusion Foods and Catering Private Limited**			
	For the six months period ended September 30, 2022	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**
Operating activities	Not a partly owned subsidiary	24.48	10.93	50.63
Investing activities		(32.05)	(2.61)	(35.38)
Financing activities		4.27	(5.27)	(1.24)
Net increase/(decrease) in cash and cash equivalents		(3.31)	3.05	14.01

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(All amounts are in millions of Indian Rupees unless otherwise stated)

C. Global Flight Handling Services Private Limited
Summarised balance sheet

Particulars	Global Flight Handling Services Private Limited			
	As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Cash and cash equivalents	13.56	6.18	0.78	2.33
Current assets excluding cash and cash equivalents	70.75	36.99	17.45	16.18
Non-current assets	28.50	25.67	4.12	4.09
Trade payables	63.43	24.73	4.23	-
Provisions	0.18	0.18	0.18	0.18
Current liabilities excluding trade payables and provisions	20.67	11.00	4.87	19.32
Borrowings	105.97	65.77	11.53	6.72
Equity	(77.44)	(32.84)	1.54	3.29
Share of NCI	30.00%	30.00%	30.00%	30.00%
Attributable to NCI	(31.57)	(8.24)	0.46	0.92

Summarised statement of profit and loss

Particulars	Global Flight Handling Services Private Limited			
	For the six months period ended September 30, 2022	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
Total Revenue	64.03	24.69	2.42	18.55
Employee benefits expense	44.04	21.94	1.67	9.18
Finance costs	4.09	2.83	0.66	-
Depreciation and amortization expense	0.16	0.10	-	0.01
Other expenses	59.64	46.30	2.77	9.03
Profit before tax	(43.91)	(46.47)	(2.68)	0.33
Income tax expense	0.69	(10.40)	(0.68)	(0.31)
Profit for the year / period	(44.60)	(36.07)	(2.00)	0.21
Total comprehensive income for the year / period	(44.60)	(36.07)	(2.00)	0.21
Attributable to NCI	(17.95)	(10.82)	(0.60)	0.06

Summarised cash flow statement

Particulars	Global Flight Handling Services Private Limited			
	For the six months period ended September 30, 2022	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
Operating activities	(28.21)	(45.55)	(4.08)	2.13
Investing activities	(0.86)	(0.61)	0.00	-
Financing activities	36.11	51.91	2.52	(0.06)
Net increase/(decrease) in cash and cash equivalents	7.04	5.75	(1.56)	2.07

Information regarding Non-Controlling Interest

Accumulated balances of material non-controlling interest	As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Avon Solutions & Logistics Private Limited	84.57	66.45	43.13	20.75
Global Flight Handling Services Private Limited	(31.57)	(8.24)	0.46	0.92
Fusion Foods and Catering Private Limited	Not a partly owned subsidiary	-	25.52	23.40

Profit/(loss) allocated to material non-controlling interest	For the six months period ended September 30, 2022	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
Avon Solutions & Logistics Private Limited	18.12	36.36	22.39	5.34
Global Flight Handling Services Private Limited	(17.95)	(10.82)	(0.60)	0.06
Fusion Foods and Catering Private Limited	Not a partly owned subsidiary	-	2.12	(4.49)

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(All amounts are in millions of Indian Rupees unless otherwise stated)

54 Group information

A) Subsidiaries

Name	Principal activities	Country of incorporation	% equity interest			
			September 30, 2022	March 31, 2022	March 31, 2021	March 31, 2020
Avon Solutions & Logistics Private Limited	Mailroom logistics management	India	76.00%	76.00%	76.00%	76.00%
Integrated Technical Staffing and Solutions Private Limited	Technical staffing management	India	99.99%	99.99%	99.99%	99.99%
Stanworth Management Private Limited	Integrated facility management	India	99.99%	99.99%	99.99%	100.00%
Tangy Supplies & Solutions Private Limited	Supply of house keeping products	India	99.99%	99.99%	99.99%	99.99%
Fusion Foods and Catering Private Limited	Corporate and Industrial catering management	India	99.99%	99.99%	65.40%	65.40%
Wynwy Technologies Private Limited (formerly known as Zappy Home Solutions Private Limited	Home maintenance and household services	India	99.99%	99.99%	99.99%	99.99%
Global Flight Handling Services Private Limited	Ground service support for airlines	India	70.00%	70.00%	70.00%	70.00%
Matrix Business Services India Private Limited* (w.e.f April 25, 2019)	People, Product, and Process assurance services	India	99.99%	99.99%	99.99%	75.00%
Washroom Hygiene Concepts Private Limited (w.e.f September 5, 2019)	Famile Hygiene Solutions	India	100.00%	99.99%	90.00%	76.00%
Denave India Private Limted - "Denave" (w.e.f October 27, 2021)*	Sales Enablement and other staffing services	India	99.99%	99.99%	0.00%	0.00%
Updater Services (UDS) Foundation **	Licensed under Section 8 of Companies Act, 2013	India	100.00%	99.99%	99.99%	100.00%

*As more fully discussed in Note 2.1(i) to the consolidated financial statements, the Group has elected not to recognise non-controlling interest in subsidiaries Denave and Matrix and consequently the liability in respect of such shares towards the erstwhile promoters of such subsidiaries are recognised as financial liabilities in the consolidated financial statements (Also Refer Note 23B)

** The shareholding of this entity is held by the Company and therefore this entity would constitute a subsidiary under the Companies Act, 2013. However, as the Company does not control the entity in accrodance with the requirements of IND AS 110, the same is not considered a subsidiary for the purpose of this financial statement.

B) Holding/Promoter company

Updater Services Limited

(All amounts are in millions of Indian Rupees unless otherwise stated)

55 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Restated Consolidated Financial Statements to Schedule III to the Companies Act, 2013 as at and for the six months ended September 30, 2022 and year ended March 31, 2022, March 31, 2021 and March 31, 2020

Six Months ended September 30, 2022

Name of the Entities	Net Assets		Share in Profit or Loss		Other Comprehensive Income		Total Comprehensive Income	
	As % of Consolidated Assets	Amount	As % of Consolidated Loss	Amount	As % of Consolidated OCI	Amount	As % of Consolidated Total comprehensive income	Amount
I. Parent								
Updater Services Limited	71.86%	2,639.09	(46.79%)	(94.48)	113.08%	13.40	(37.93%)	(81.08)
II. Subsidiaries								
Avon Solutions & Logistics Private Limited	7.24%	265.76	28.05%	56.65	5.82%	0.69	26.82%	57.34
Integrated Technical Staffing and Solutions Private Limited	1.96%	72.03	2.76%	5.57	0.00%	-	2.61%	5.57
Stanworth Management Private Limited	0.62%	22.86	3.05%	6.16	9.62%	1.14	3.41%	7.30
Tangy Supplies & Solutions Private Limited	2.46%	90.29	1.55%	3.13	1.35%	0.16	1.54%	3.29
Fusion Foods and Catering Private Limited	2.85%	104.57	10.36%	20.92	5.23%	0.62	10.08%	21.54
Zappy Home Solutions Private Limited	(2.94%)	(107.93)	(6.67%)	(13.47)	(0.42%)	(0.05)	(6.32%)	(13.52)
Global Flight Handling Services Private Limited	(1.24%)	(45.38)	(13.51%)	(27.29)	0.00%	-	(12.77%)	(27.29)
Matrix Business Services India Private Limited (w.e.f. April 25, 2019)	8.81%	323.63	59.80%	120.75	9.54%	1.13	57.01%	121.88
Washroom Hygiene Concepts Private Limited (w.e.f. September 05, 2019)	1.88%	68.90	4.22%	8.52	(2.53%)	(0.30)	3.85%	8.22
Denave India Private Limited (w.e.f October 28, 2021)	5.05%	185.33	57.17%	115.45	(41.61%)	(4.93)	51.70%	110.52
Non-Controlling interest in all subsidiaries	1.45%	53.08	0.01%	0.02	(0.08%)	(0.01)	0.00%	0.01
Total	**100.00%**	**3,672.23**	**100.00%**	**201.93**	**100.00%**	**11.85**	**100.00%**	**213.78**

Year Ended March 31, 2022

Name of the Entities	Net Assets		Share in Profit or Loss		Other Comprehensive Income		Total Comprehensive Income	
	As % of Consolidated Assets	Amount	As % of Consolidated Loss	Amount	As % of Consolidated OCI	Amount	As % of Consolidated Total comprehensive income	Amount
I. Parent								
Updater Services Limited	78.83%	2,725.55	30.65%	175.85	63.59%	(17.28)	29.00%	158.57
II. Subsidiaries								
Avon Solutions & Logistics Private Limited	6.03%	208.54	20.08%	115.17	0.15%	(0.04)	21.00%	115.13
Integrated Technical Staffing and Solutions Private Limited	1.92%	66.31	2.00%	11.49	1.59%	(0.43)	2.00%	11.06
Stanworth Management Private Limited	0.46%	15.83	1.76%	10.11	(2.31%)	0.63	2.00%	10.74
Tangy Supplies & Solutions Private Limited	2.52%	87.25	1.75%	10.04	0.32%	(0.09)	2.00%	9.96
Fusion Foods and Catering Private Limited	2.40%	83.02	1.69%	9.70	0.84%	(0.23)	2.00%	9.47
Zappy Home Solutions Private Limited	(2.73%)	(94.41)	(3.39%)	(19.47)	0.35%	(0.09)	(4.00%)	(19.56)
Global Flight Handling Services Private Limited	(0.56%)	(19.53)	(3.58%)	(20.55)	0.00%	-	(4.00%)	(20.55)
Matrix Business Services India Private Limited (w.e.f. April 25, 2019)	5.83%	201.70	35.37%	202.90	39.57%	(10.75)	35.00%	192.15
Washroom Hygiene Concepts Private Limited (w.e.f. September 05, 2019)	1.76%	61.01	1.55%	8.91	(2.29%)	0.62	2.00%	9.54
Denave India Private Limited (w.e.f October 28, 2021)	2.00%	69.00	12.11%	69.48	(1.85%)	0.50	13.00%	69.98
Non-Controlling interest in all subsidiaries	1.54%	53.09	0.01%	0.06	0.04%	(0.01)	0.00%	0.05
Total	**100.00%**	**3,457.36**	**100.00%**	**573.69**	**100.00%**	**(27.17)**	**100.00%**	**546.52**

Updater Services Limited (Formerly known as Updater Services Private Limited)
Annexure VI - Consolidated Summary Statement of Notes and other explanatory information forming part of Restated Consolidated Summary Statements
(All amounts are in millions of Indian Rupees unless otherwise stated)

Year Ended March 31, 2021

Name of the Entities	Net Assets		Share in Profit or Loss		Other Comprehensive Income		Total Comprehensive Income	
	As % of Consolidated Assets	Amount	As % of Consolidated Loss	Amount	As % of Consolidated OCI	Amount	As % of Consolidated Total comprehensive income	Amount
I. Parent								
Updater Services Limited	72.13%	2,107.04	62.25%	296.10	130.98%	7.91	63.11%	304.01
II. Subsidiaries								
Avon Solutions & Logistics Private Limited	4.69%	137.06	16.03%	76.24	(88.65%)	(5.35)	14.72%	70.90
Integrated Technical Staffing and Solutions Private Limited	1.89%	55.35	1.45%	6.90	33.64%	2.03	1.85%	8.93
Stanworth Management Private Limited	0.77%	22.48	1.27%	6.03	25.19%	1.52	1.57%	7.55
Tangy Supplies & Solutions Private Limited	3.20%	93.44	1.76%	8.35	(0.50%)	(0.03)	1.73%	8.32
Fusion Foods and Catering Private Limited	1.67%	48.93	0.68%	3.24	12.76%	0.77	0.83%	4.01
Zappy Home Solutions Private Limited	(2.53%)	(73.84)	(2.35%)	(11.17)	(0.17%)	(0.01)	(2.32%)	(11.18)
Global Flight Handling Services Private Limited	0.05%	1.60	(0.42%)	(2.00)	0.00%	-	(0.42%)	(2.00)
Matrix Business Services India Private Limited (w.e.f. April 25, 2019)	13.96%	407.79	15.82%	75.25	8.62%	0.52	15.73%	75.77
Washroom Hygiene Concepts Private Limited (w.e.f. September 05, 2019)	1.81%	52.84	(1.79%)	(8.52)	(0.83%)	(0.05)	(1.78%)	(8.57)
Non-Controlling interest in all subsidiaries	2.37%	69.27	5.30%	25.19	(21.04%)	(1.27)	4.98%	23.98
Total	**100.00%**	**2,921.96**	**100.00%**	**475.61**	**100.00%**	**6.04**	**100.00%**	**481.65**

Year Ended March 31, 2020

Name of the Entities	Net Assets		Share in Profit or Loss		Other Comprehensive Income		Total Comprehensive Income	
	As % of Consolidated Assets	Amount	As % of Consolidated Loss	Amount	As % of Consolidated OCI	Amount	As % of Consolidated Total comprehensive income	Amount
I. Parent								
Updater Services Limited	73.88%	1,893.22	69.83%	230.99	132.17%	(15.12)	67.60%	215.87
II. Subsidiaries								
Avon Solutions & Logistics Private Limited	2.71%	66.17	3.16%	10.46	(59.01%)	6.75	5.39%	17.21
Integrated Technical Staffing and Solutions Private Limited	1.90%	46.43	3.32%	10.97	21.33%	(2.44)	2.67%	8.53
Stanworth Management Private Limited	0.61%	14.94	1.81%	6.00	(10.40%)	1.19	2.25%	7.19
Tangy Supplies & Solutions Private Limited	3.49%	85.11	4.34%	14.34	(0.09%)	0.01	4.49%	14.35
Fusion Foods and Catering Private Limited	1.84%	44.92	(2.81%)	(9.29)	(1.84%)	0.21	(2.84%)	(9.08)
Zappy Home Solutions Private Limited	(2.57%)	(62.67)	(2.46%)	(8.14)	(1.31%)	0.15	(2.50%)	(7.99)
Global Flight Handling Services Private Limited	0.15%	3.61	0.05%	0.15	0.00%	-	0.05%	0.15
Matrix Business Services India Private Limited (w.e.f. April 25, 2019)	13.61%	332.02	20.54%	67.94	38.73%	(4.43)	19.89%	63.51
Washroom Hygiene Concepts Private Limited (w.e.f. September 05, 2019)	2.52%	61.41	2.53%	8.38	0.00%	-	2.62%	8.38
Non-Controlling interest in all subsidiaries	1.86%	45.33	(0.31%)	(1.02)	(19.58%)	2.24	0.38%	1.22
Total	**100.00%**	**2,438.77**	**100.00%**	**330.78**	**100.00%**	**(11.44)**	**100.00%**	**319.34**

(All amounts are in millions of Indian Rupees unless otherwise stated)

56 Business Combinations and Acquisition of non-controlling interest
Acquisitions during the year ended March 31, 2022

On October 27, 2021, the Group acquired 52% equity ownership in Denave India Private Limited ("Denave") for a consideration of ₹ 629.96 millions. Denave is primarily engaged in the business of providing sales enablement, digital marketing, lead generation and demand generation services. This acquisition gives the company an entry into the fast growing and critical growth and revenue link services space and enhances our presence in the high margin business support services segment. The total value of purchase consideration of ₹ 1,412.10 millions includes ₹ 782.15 millions on account of obligation to purchase the remaining equity shares (48%) in the future, pursuant to Shareholder's Agreement between the Group and the promoters of Denave. Consequent to the future purchases, the Group will hold 100% of the equity shares of Denave.

Therefore, the Group has elected not to recognise a non-controlling interest in Denave as the unacquired shares from the promoters of Denave are recognised as financial liabilities in the consolidated financial statements and accordingly Denave is considered to be 100% owned by the Group for the purpose of consolidation.

Assets acquired and liabilities assumed	**Fair Value on acquisition**
Particulars	**Total**
Property, Plant and Equipment	24.83
Trade Receivables	417.79
Cash and Bank Balances	105.66
Loans and Advances	2.90
Non-current tax assets (Net)	56.06
Other Assets - current and non-current	208.99
Deferred Tax Assets	32.89
Total Assets taken over (A)	**849.12**
Trade Payables	67.05
Other Liabilities - current	74.95
Provisions - current and non-current	53.66
Other liabilities	203.86
Total liabilities assumed (B)	**399.52**
Identifiable Intangible Assets on acquisition	
Customer Relationship (Note i)	148.00
Non Compete (Note ii)	25.70
Brand (Note iii)	53.70
Total identifiable intangible assets on acquisition (C)	**227.40**
Deferred Tax Liability on account of acquisition (D)	88.16
Non-controlling interests measured at fair value	-
Goodwill arising on acquisition (Note iv) (E)	823.26
Total purchase consideration (A-B+C-D+E)	**1,412.10**

Note i

Customer contracts and related Customer relationships include the relationships that Denave has established with customers that are tied to them through a contract, as well as the potential extension of such contracts/additional relationships that would arise as a result of these contracts, and therefore, meet both the contractual/legal criteria and the separability criterion for recognition of an Intangible Asset under 'Ind AS 38 Intangible Assets'.

The income approach has been considered for arriving at the value of the intangible asset as defined in "Ind AS 113 Fair Value Measurement". The intangible asset is considered having a useful life of eight years from the date of acquisition.

Note ii

Non compete is based on a contractual agreement which protects the value of the purchased assets from Denave (both tangible and intangible) by restricting the respective promoters' competitive conduct post the respective investment dates and accordingly, meet both the contractual/legal criteria and separability criterion for recognition of an Intangible Asset under 'Ind AS 38 Intangible Assets'.

As per the investment agreements for Denave, the promoters have agreed to non-competence for a period of 3 years from the expiry of Contract of service or the promoters ceasing to hold any securities of Denave (i.e. after June 30, 2027). Thus effectively 5.5 years from the date of acquisition.

The income approach has been considered for arriving at the value of the intangible asset as defined in "Ind AS 113 Fair Value Measurement".

Note iii

Denave uses the trademark 'Denave' for its traditional as well as new businesses. The Group will continue to use the similar strategy in future for all its new generation businesses. The brand serves to create associations and expectations among products made by Denave. This meets the legal criterion and the separability criterion for recognition of an Intangible Asset under 'Ind AS 38 Intangible Assets'.

The income approach has been considered for arriving at the value of the intangible asset as defined in "Ind AS 113 Fair Value Measurement". The intangible asset is considered having an indefinite useful life and will be assessed for impairment every year.

Note iv

The goodwill of ₹ 823.25 millions comprises the value of expected synergies arising from the acquisition which is not separately recognised. None of the goodwill recognised is expected to be deductible for income tax purposes. The goodwill is considered having an indefinite useful life and will be assessed for impairment every year.

From the date of acquisition, Denave has contributed ₹ 1,243.86 millions of revenue and ₹ 87.10 millions to the profit before tax of the Group respectively. If the combination had taken place at the beginning of the year, revenue from continuing operations would have been ₹ 16,240.26 millions and the profit before tax for the Group would have been ₹ 788.71 millions.

Note v

The fair value and gross amount of the trade receivables of Denave amounts to ₹ 417.79 millions, which is expected to be fully collected.

Information relating to purchase consideration :

Purchase consideration	**Denave**
Cash paid for purchase of current equity shareholding	629.95
Present value of Redemption liability as on date of acquisition (October 27, 2022)	782.15
Total	**1,412.10**

During the financial year 2021-22, the Company has acquired 52% stake in Denave India Private Limited at an agreed price of ₹ 629.96 millions from the promoters of Denave. As per the Shareholder's Agreement between Company, Denave and its erstwhile promoters, the Company has an obligation to purchase the remaining shares held by the promoters of such companies based on agreed methodology per the purchase agreement. Consequently, on the date of acquisition, the Company has recognised a redemption liability for the present value of such future obligation based on a best estimate available with the management amounting to ₹ 782.15 millions.

Significant increase/ (decrease) in the EBITDA of Denave would result in higher/ (lower) fair value of the redemption liability. Changes to the fair value of the redemption liability will be recognised in the statement of profit and loss.

The purchase consideration has been computed as follows:

Denave

Particulars	**No of shares**	**Price per share**	**Purchase consideration in millions**	**Stake**
Tranche I	96,66,329	65.17	629.96	52.0%
Tranche II (on or before June 30, 2022)	44,61,383	80.04	357.10	24.0%
Tranche III (on or before June 30, 2024)	44,61,383	95.27	425.05	24.0%
Total shares	**1,85,89,095**	**75.96**	**1,412.11**	**100.0%**

Acquisitions during the year ended March 31, 2020

On April 25, 2019, the Group acquired 75% equity ownership in Matrix Business Services India Private Limited ("Matrix") by investing a total of ₹ 391.50 million as equity share capital. Matrix is primarily engaged in the business of providing assurance services, claims processing, including employee background verifications checks and product and process audits inter alia of warehouses, depots, distributors and distribution centres, retail points and outlets and franchisees. Investment recorded during the previous year includes ₹ 96.52 million on account of obligation to purchase the remaining equity shares in the future, recognised pursuant to Shareholder's Agreement between the Group and the promoters of Matrix. This acquisition gives the company a leadership position in the space of - assurance services, claims processing, including employee background verifications checks and product and process audits inter alia of warehouses, depots, distributors and distribution centres, retail points and outlets and franchisees. This is a higher margin business and strengthens the Company's position in the business support services segment. This acquisition also gave the company a strong presence in the Employee Background Verification Checks (EBGC) business which enjoys EBITDA margins in excess of 30%.

On September 5, 2019, the Group acquired 76% equity ownership in Washroom Hygiene Concepts Private Limited ("WHC") by investing a total of ₹ 152.00 million as equity share capital. WHC is primarily engaged in the business of providing washroom sanitizing services and hygiene solutions, primarily female hygiene solutions, viz sanitary napkin vending & disposal and supply of third party sanitary products. Investment recorded during the previous year includes ₹ 36.06 million on account of obligation to purchase the remaining equity shares in the future, recognised pursuant to Shareholder's Agreement between the Company and the promoters of WHC. This acquisition is in an adjacent space to the main Integrated Facility Management (IFM) business of the Company. WHC also has vendor relationships which enables it to offer a feminine hygiene sanitary pad disposal system to its customers at prices which yield high margins.

Consequent to the future purchases, the Group will hold 100% of the equity shares of Matrix and WHC.

The Group has elected not to recognise a non-controlling interest in Matrix and WHC as the unacquired shares from the promoters of Matrix and WHC are recognised as financial liabilities in the consolidated financial statements and both Matrix and WHC are considered to be 100% owned by the Group for the purpose of consolidation.

Assets acquired and liabilities assumed	**Fair Value on acquisition**		
Particulars	**Matrix**	**WHC**	**Total**
Property, Plant and Equipment	17.30	43.60	60.90
Intangible Assets	13.50	-	13.50
Inventories	0.30	3.10	3.40
Trade Receivables	195.20	34.70	229.90
Cash and Bank Balances	79.10	1.80	80.90
Loans and Advances	81.90	1.90	83.80
Non-current tax assets (Net)	6.20	-	6.20
Other Assets - current and non-current	-	1.00	1.00
Deferred Tax Assets	-	0.90	0.90
Total Assets taken over (A)	**393.50**	**87.00**	**480.50**

(All amounts are in millions of Indian Rupees unless otherwise stated)

Assets acquired and liabilities assumed	**Fair Value on acquisition**		
Particulars	**Matrix**	**WHC**	**Total**
Trade Payables	(66.00)	(14.80)	(80.80)
Other Liabilities - current	(50.60)	(3.00)	(53.60)
Provisions - current and non-current	(4.70)	(3.70)	(8.40)
Other long term liabilities	(0.40)	(0.30)	(0.70)
Total liabilities assumed (B)	**(121.70)**	**(21.80)**	**(143.50)**
Liabilities towards promotors of Matrix (Note i) (C)	(61.90)	-	(61.90)
<u>Identifiable Intangible Assets on acquisition</u>			
Customer Relationship (Note ii)	7.70	28.80	36.50
Non Compete (Note iii)	11.10	10.40	21.50
Vendor Contract (Note iv)	-	61.70	61.70
Brand (Note v)	-	15.50	15.50
Total identifiable intangible assets on acquisition (D)	**18.80**	**116.40**	**135.20**
Deferred Tax Liability on account of identified intangible assets on acquisition			
Deferred Tax Liabilities	(4.73)	(29.30)	(34.03)
Total Deferred Tax liability on identified intangible assets	**(4.73)**	**(29.30)**	**(34.03)**
Non-controlling interests measured at fair value	-	-	-
Goodwill arising on acquisition (Note vi) (E)	263.73	35.70	299.43
Total purchase consideration (A+B+C+D+E)	**487.70**	**188.00**	**675.70**

Note i

On the date of acquisition of Matrix, Matrix had a refund of Income Tax Receivable for the Assessment Years 2018-19 and 2019-20 amounting to ₹ 61.90 million. As per the terms of the investment agreement entered for the acquisition of Matrix, upon receipt of the aforementioned refund, the Group is required to pay the refund received to the promotors of Matrix, as defined in the investment agreement. A financial liability towards this refund is recognised in the consolidated financial statements as shown above against the refund of Income Tax Receivable asset.

Note ii

Customer contracts and related Customer relationships include the relationships that Matrix and WHC have established with customers that are tied to them through a contract, as well as the potential extension of such contracts/additional relationships that would arise as a result of these contracts, and therefore, meet both the contractual/legal criteria and the separability criterion for recognition of an Intangible Asset under 'Ind AS 38 Intangible Assets'.

The income approach has been considered for arriving at the value of the intangible asset as defined in "Ind AS 113 Fair Value Measurement". The intangible asset is considered having a useful life of five years from the date of acquisition.

Note iii

Non compete is based on a contractual agreement which protects the value of the purchased assets from Matrix and WHC (both tangible and intangible) by restricting the respective promoters' competitive conduct post the respective investment dates and accordingly, meet both the contractual/legal criteria and separability criterion for recognition of an Intangible Asset under 'Ind AS 38 Intangible Assets'.

As per the investment agreements for Matrix and WHC, the promoters have agreed to non-competence for a period of 7 years from the expiry of Contract of service or the promoters ceasing to hold any securities of Matrix and WHC (i.e. after June 30, 2021 and June 30, 2022 respectively). Thus effectively 8 - 10 years from the date of acquisition.

The income approach has been considered for arriving at the value of the intangible asset as defined in "Ind AS 113 Fair Value Measurement".

Note iv

Vendor Contract is an agreement where the vendor has agreed to supply agreed products for a specified period of time and within a specific geographic area exclusively to WHC and meet both the contractual/legal criteria and the separability criterion for recognition of an Intangible Asset under 'Ind AS 38 Intangible Assets'.

The income approach has been considered for arriving at the value of the intangible asset as defined in "Ind AS 113 Fair Value Measurement". The intangible asset is considered having a useful life of five years from the date of acquisition..

Note v

WHC uses the trademark 'Washroom Hygiene Concepts' for its traditional as well as new businesses. The Group will continue to use the similar strategy in future for all its new generation businesses. The brand serves to create associations and expectations among products made by WHC. This meets the legal criterion and the separability criterion for recognition of an Intangible Asset under 'Ind AS 38 Intangible Assets'.

The income approach has been considered for arriving at the value of the intangible asset as defined in "Ind AS 113 Fair Value Measurement". The intangible asset is considered having an indefinite useful life and will be assessed for impairment every year.

(All amounts are in millions of Indian Rupees unless otherwise stated)

Note vi

The goodwill of ₹ 299.43 million comprises the value of expected synergies arising from the acquisition which is not separately recognised. None of the goodwill recognised is expected to be deductible for income tax purposes.

The goodwill is considered having an indefinite useful life and will be assessed for impairment every year.

From the date of acquisition, Matrix and WHC have contributed ₹ 697.78 million and ₹ 80.99 million of revenue respectively and ₹ 88.20 million and ₹ (6.52) million to the profit before tax of the Group respectively. If the combination had taken place at the beginning of the year, revenue from continuing operations would have been ₹ 13,364.13 million and the profit before tax for the Group would have been ₹ 518.81 million.

Note vii

The fair value of the trade receivables of Matrix and WHC amount to ₹ 229.90 million. The gross amount of trade receivables is ₹ 231.20 million. However, it is expected that the full contractual amounts can be collected.

Purchase consideration	**Matrix**	**WHC**	**Total**
Cash paid for purchase of current equity shareholding	391.18	152.00	543.18
Redemption liability	96.52	36.06	132.58
Total	**487.70**	**188.06**	**675.76**

During the financial year 2019-20, the Company has acquired 75% stake in Matrix Business Services India Private Limited at an agreed price of ₹ 391.18 million from the promoters of Matrix and 76% stake in Washroom Hygiene Solutions Private Limited at an agreed price of ₹ 152.00 million. As per the Shareholder's Agreement between Company, these two companies and its erstwhile promoters, the Company has an obligation to purchase the remaining shares held by the promoters of such companies based on agreed methodology per the purchase agreement. Accordingly, the Company has recognised a redemption liability for the present value of such future obligation based on a best estimate available with the management.

Significant increase/ (decrease) in the EBITDA of Matrix and WHC would result in higher/ (lower) fair value of the redemption liability. Changes to the fair value of the redemption liability will be recognised in the statement of profit and loss.

The purchase consideration has been computed as follows:

Matrix

Particulars	**No of shares**	**Price per share**	**Purchase consideration in million**	**Stake**
Tranche I	3,13,660	1,248	391.51	75.0%
Tranche II (on or before June 30, 2021)	52,276	1,395	72.93	12.5%
Tranche III (on or before June 30, 2022)	52,276	2,167	113.29	12.5%
Total shares	**4,18,212**		**577.73**	**100.0%**

WHC

Particulars	**No of shares**	**Price per share**	**Purchase consideration in million**	**Stake**
Tranche I (acquired)	73,833	2,059	152.00	76.0%
Tranche II (on or before June 30, 2020)	13,600	2,059	28.00	14.0%
Tranche III (on or before June 30, 2021)	9,715	2,059	20.00	10.0%
Total	**97,148**		**200.00**	**100.0%**

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(All amounts are in millions of Indian Rupees unless otherwise stated)

57A Correction of prior period errors (2021-22)

The Holding Company has a manpower supply contract with one of its customers since FY 2018-19. The current term of the contract (including extension) expired in September 2022 and the same has been extended till the appointment of new service provider through tender process or one year whichever occurs earlier.

During earlier years, the customer had made on-account payments against the services rendered/ invoices raised by the Holding Company without sharing written payment advice or statement of account with the Holding Company. The Customer had verbally communicated their intent to claim certain penalties/ adjustments from time to time. The internal controls established by the Holding Company were not sufficiently responsive to the unique and complex circumstances associated with this contract, resulting in shortcomings in the Holding Company's processes around timely identification and obtaining additional relevant information in respect of customer claims and assessment of consequent contractual compliances by the Holding Company, certain claims were not considered in the preparation of financial statement for earlier years. Subsequent to March 31, 2022, the Holding Company obtained the cumulative transaction confirmation statement since inception of the contract, based on which the Holding Company identified cumulative adjustments of ₹ 235.15 millions on account of various claims by the customer, relating to the services rendered by the Holding Company, from inception of the contract till March 31, 2021.

Consequent to and in respect of the foregoing matters, the previously reported amounts in the Ind AS financial statements of the Holding Company for the years ended March 31, 2021 and March 31, 2020, have been restated during the current year, as summarised below. Accordingly, and in line with the requirements of Ind-AS 8, the Holding Company has adjusted the cumulative effect of the adjustments pertaining to the year ended March 31, 2020 and March 31, 2019 in the reserves as at April 01, 2020, and the effect of the adjustments pertaining to the year ended March 31, 2021 have been adjusted in the comparative figures for that year, included in these consolidated financial statements.

Sn No	Particulars	31st March 2021 (Restated)	31st March 2021 (Previously reported)	Effect on Profits/Variance	31st March 2020 (Restated)	1st April 2020 (Previously reported)	Adjustments
	Restatements having effect to Profit & Loss (refer following table below)						
A	Revenue from contracts with customers	12,100.32	12,035.85	64.47	13,148.85	13,239.60	(90.75)
B	Impairment losses on financial instrument and contract assets	55.47	46.88	(8.59)	60.55	44.21	(16.34)
C	Other Expenses (Rates & Taxes)	-	-	-	-	-	-
C= A+B	**Total Effect on Profit before tax**			**55.88**			**(107.09)**
D	Current Tax Expense	-	0.00	-	-	-	-
D	Deferred tax charge / (credit)	(86.17)	(100.23)	(14.06)	(32.08)	(6.64)	25.43
E= C+D	**Total effect on Profit after tax**			**41.82**			**(81.65)**
	Restatements having effect to Balance Sheet						
F	Opening Retained earnings	1,235.14	1,326.89	(91.76)	940.66	950.66	(10.00)
G	Trade Receivables including unbilled revenue	2,689.38	2,756.11	(66.74)	3,341.87	3,463.48	(121.61)
I	Non-Current Tax asset	-	-	-	-	-	-
H	Deferred tax asset	381.12	364.32	16.80	302.62	271.76	30.86
L	Other Current Liabilities (Statutory Dues and related liabilities)	452.41	351	101.10	-	-	-
I=C	**Profit before Tax**	**544.26**	**488.39**	**55.87**	**366.57**	**473.65**	**(107.08)**
J=E	**Profit after Tax**	**475.61**	**433.81**	**41.80**	**330.78**	**412.43**	**(81.65)**
K	**Total Comprehensive Income**	**481.65**	**439.84**	**41.81**	**319.34**	**400.99**	**(81.65)**
L	**Earnings per share (Rs)**	**8.55**	**7.74**	**0.81**	**7.67**	**7.83**	**(0.16)**
M	**Diluted earnings per share (Rs)**	**8.50**	**7.68**	**0.82**	**7.62**	**7.78**	**(0.16)**

Particulars	**FY 2018-19**	**FY 2019-20**	**FY 2020-21**
Gross Deductions / Penalties identified (including GST but excluding GST on credit note issued)	15.53	107.08	112.54
Amounts originally reported in the respective years' financial statements*	-	-	168.42
Excess/(Shortfall)	**(15.53)**	**(107.08)**	**55.87**

*Includes specific receivable provision of ₹ 147.64 millions and Expected credit loss of ₹ 20.78 millions provided against the respective customer balance.

The correction of the error had no impact on previously reported cash flows from operating, investing and financing activities.

57B Correction of prior period errors (2020-21)

The Ind AS financial statements of the Group for the year ended March 31, 2020, included in these restated consolidated summary statements have been restated during the year ended March 31, 2021 for reasons stated below. These adjustments have been made to the respective comparative restated consolidated summary statements as at March 31, 2020.

S. No	Particulars	March 31, 2020 (Restated)	March 31, 2020 (Published)	Adjustments	Nature
A	Intangible asset arising on acquisition	121.77	133.51	(11.74)	Lower amortization now corrected. (Having effect to Profit & Loss)
B	Depreciation and amortization	161.66	149.92	11.74	
C	Property, Plant and Equipment	199.50	208.39	(8.89)	(Having effect to Profit & Loss)
D	Repairs & Maintenance	13.04	4.15	8.89	
E	Goodwill on consolidation	456.99	422.96	34.03	Goodwill and Deferred tax liability netted off earlier, now grossed.
F	Deferred Tax Liability	31.07	0.00	31.07	
G	Retained earnings as on April 01, 2019	950.75	973.64	(22.89)	Deferred Tax Assets on items eliminated during consolidation not reversed now rectified.
H	Deferred Tax Expense	-6.64	0.58	(7.22)	
I	Deferred Tax Assets (Net)	271.54	290.39	(18.85)	
	Profit/(Loss) before Tax	473.65	494.28	(20.63)	B+D
	Profit/(Loss) after Tax	412.43	425.84	(13.41)	B+D+H
	Total Comprehensive Income	400.99	414.40	(13.41)	
	Earnings per share (Rs)	7.79	8.04	(0.25)	
	Diluted earnings per share (Rs)	7.73	7.99	(0.25)	

58 The Holding Company had availed of GST credits aggregating to ₹ 41.87 millions as at September 30, 2022 (₹ 36.15 millions as at March 31, 2022) arising from the credit notes issued to certain customers, which have also been since utilised against discharge of output GST obligations of the Holding Company, based on management's assessment and as supported by legal advice taken. However, having regard to the facts of the case as well as possible interpretative issues in this regard, and pending final assessment, the Holding Company out of abundant caution has recognised a provision of ₹ 41.87 millions as at September 30, 2022 (₹ 36.15 millions as at March 31, 2022) in the consolidated financial statements, without prejudice to its rights under the applicable law.

(All amounts are in millions of Indian Rupees unless otherwise stated)

59 Impact of Covid-19 Pandemic

The outbreak of Coronavirus (COVID -19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Group has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, unbilled revenues and investments, property, plant & Equipment, right of use assets and intangible assets including goodwill. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Group, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information and economic forecasts. Basis such evaluation, the management does not expect any adverse impact on its future cash flows and shall be able to continue as a going concern and meet its obligations as and when they fall due. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements. The Group will continue to monitor future economic conditions for any significant change.

60 Code on wages, 2019 and Code on Social Security, 2020

Parliament has approved the Code on Wages, 2019 and the Code on Social Security, 2020 which govern, and are likely to impact, the contributions by the Group towards certain employee benefits. The government has released draft rules for these Codes and has invited suggestions from stakeholders which are under active consideration by the concerned Ministry. The effective date of these Codes have not yet been notified and the Group will assess the impact of these codes as and when they become effective and will provide for the appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

61 Irregularities noted in a subsidiary company

During the year ended March 31, 2022, management had identified certain instances of irregularities in disbursement/ payment of salary to fictitious and left employees. Based on initial inquiries performed by the Management the possible impact of such irregularities was quantified to be ₹ 1.00 million and have recovered such amounts from the employees responsible for such irregularities. Management had also appointed external independent expert and initiated an investigation on this matter.
The investigation carried out by the external expert was concluded during the current period. The investigation identified certain additional instances of irregularities in disbursement/ payment of salary to fictitious and left employees. The total impact assessed in relation to these irregularities amounts to ₹ 1.35 million. Management has considered the report of the expert and concluded that the impact of the irregularities identified by the expert have been provided for and believes no further adjustment is required to be made to the financial statements for the period ended September 30, 2022. Management is also in the process of evaluating appropriate course of action, if any, to be taken against the employees involved.

62 Other Statutory Information

(i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(ii) The Group has balance/transactions with the below-mentioned companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956:

Name of struck off Company	Nature of transactions with struck-off	Balances outstanding			Relationship with the Struck off company
		As at September 30, 2022	As at March 31, 2022	As at March 31, 2021	
Cross Limits Services and Solutions	Trade Payables	-	0.06	0.06	None
Pancyber Infotech Private Limited	Trade Payables	-	0.03	0.03	None
Wilway Engineering and Construction	Trade Payables	-	0.00	0.00	None
OM Industries Private Limited	Trade Payables	0.03	-	-	None
RJ Electronics Private Limited	Trade Payables	0.00	-	-	None
Air Mech Engineers Private Limited	Trade Payables	0.50	-	-	None
Mn Aircon System Private Limited	Trade Payables	-	-	0.01	None

(iii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
(iv) The Group has not defaulted in on loans payable and have not been declared as wilful defaulter.
(v) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year / period.
(vi) Title deeds of all immovable properties are in the name of the Group.
(vii) (a) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to any other person or entity, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (''Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

(vii) (b)No funds have been received by the Group from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lender invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(viii) The Group have not revalued its Property, Plant & Equipment's, Intangible Assets and Right to Use Assets during the year / period.
(ix) The Group has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year / period in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

63 Events after the Reporting Period

(i) The Holding Company has entered into a definitive agreement on December 14, 2022 to acquire 100% of equity share capital in Athena BPO Private Limited ("Athena") in a phased manner. The Holding Company has acquired 57% stake in Athena on December 23, 2022 for ₹ 819.40 million and balance stake of 43% shall be purchased in a phased manner in three tranches. The consideration for the balance three tranches will be determined basis the future business performance and other terms contained in the share purchase agreement. Athena is in the business of providing business process outsourcing (BPO).

(ii) The shareholders of the Holding Company had approved two Employee Stock Option Schemes ("Updater Employee Stock Option Plan 2022" and "Updater Employee Stock Option Plan 2022 - Second") on December 3, 2022 and March 6, 2023 respectively. The primary objective of the above two schemes is to reward critical employees of our Company for their association, dedication and contribution to the goals of our Company. Under the scheme, 1,833,000 stock options were granted to the said employees across the Group at an exercise price of ₹ 300 in multiple tranches.

(iii) Post September 30, 2022, the Holding Company has given guarantees to four of its subsidiaries for the loans taken by the respective subsidiaries from banks to meet working capital requirements. The total amount of the guarantee given is ₹ 240.00 million.

(iv) Pursuant to the investment agreement dated April 25, 2019 (including addendums) for acquisition of equity shares in Matrix Business Services India Private Limited ("Matrix"), Tranche III sale shares (52,276 equity shares) were supposed to be acquired by the Holding Company during the 2022-23. Consequent to promoters participating in the buyback offer extended by Matrix vide letter dated September 19, 2022, Tranche III sale shares to be sold and transferred by the promoters to the Holding Company got reduced to 17,776 equity shares. Based on the addendums signed between the parties, post September 30, 2022, the Holding Company acquired 8,888 equity shares of Matrix by paying a consideration of ₹ 43.87 million.

Further, post September 30, 2022, the Holding Company had issued and allotted 134,888 equity shares of the Holding Company for consideration other than cash to the promoters of Matrix aggregating to ₹ 43.87 million by way of preferential allotment in lieu of acquisition of the balance 8,888 equity shares of Matrix.

(v) Considering the future expansion plans of the Holding Company, the authorised share capital was increased from the existing ₹ 530 million to ₹ 750 million by creating 22 million equity shares with face value of ₹ 10 each vide shareholder's approval in the Extraordinary General Meeting held on March 6, 2023.

64 Previous Year Figures

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our report of even date
For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Aravind K
Partner
Membership No. 221268

Place: Chennai
Date :March 25, 2023

For and on behalf of Board of Directors
Updater Services Limited
(Formerly known as Updater Services Private Limited)

Raghunandana Tangirala
Managing Director
DIN : 00628914

Pondicherry Chidambaram Balasubramanian
Director
DIN : 00584548

Balaji Swaminathan
Chief Financial Officer

B. Ravishankar
Company Secretary
Membership No: 08688

Place: Chennai
Date :March 25, 2023

Updater Services Limited (Formerly known as Updater Services Private Limited)
Annexure VII - Statement of adjustments to Restated Consolidated Summary Statements
(All amounts are in millions of Indian Rupees unless otherwise stated)

A) Summary of restatement adjustments made

S. No	Particulars	Note Reference	For the six months period ended September 30, 2022	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
(A) Impact on restated consolidated Net Profit after tax:						
I	**Net Profit after tax as per audited consolidated statement of profit and loss**		**201.93**	**573.69**	**433.81**	**425.80**
II	**Restatement adjustments**					
	Increase / (Decrease) in Depreciation & Amortisation	A.1	-	-	-	(11.74)
	Increase / (Decrease) in Other Expenses	A.1	-	-	-	(8.85)
	Increase / (Decrease) in revenue from contracts with customers	A.2	-	-	64.46	(90.75)
	Increase / (Decrease) in impairment losses on financial instrument and contract assets	A.2	-	-	(8.60)	(16.34)
	Increase / (Decrease) in deferred taxes - Charge / (Credit)	A.1, A.2 and A.3	-	-	(14.06)	32.65
	Total		**-**	**-**	**41.80**	**(95.02)**
III = I + II	**Net Profit after tax as per restated consolidated statement of profit and loss**		**201.93**	**573.69**	**475.61**	**330.78**
(B) Impact on restated Total equity:						
IV	**Total Equity as per audited consolidated statement of profit and loss**		**3,672.23**	**3,457.36**	**2,971.78**	**2,566.77**
V	**Restatement adjustments**					
	Increase / (Decrease) in Opening Retained Earnings		-	-	(91.75)	(32.99)
	Increase / (Decrease) in Statement of Profit or Loss for the current period	II	-	-	41.80	(95.02)
	Total		**-**	**-**	**(49.95)**	**(128.01)**
VI = IV + V	**Total Equity as per restated consolidated statement of profit and loss**		**3,672.23**	**3,457.36**	**2,921.83**	**2,438.76**

Note A.1:
Revenue Expenditure was incorrectly capitalised which was appropriately corrected and the consequential impact on depreciation and amortisation of certain Property, Plant and Equipment and Intangible assets was adjusted. Refer Note 57B of Annexure VI.

Note A.2:
The Holding Company had identified certain claims and penalties with respect to a customer contract and identified cumulative differences in the transactions/ balances with the customer which have been adjusted to the reported amounts. Refer Note 57A of Annexure VI.

Note A.3:
Based on the afore-mentioned adjustments, the consequent impact of deferred taxes was also appropriately restated. Also deferred tax assets on items eliminated during consolidation not reversed was adjusted to the reported amounts.

Audit qualifications which have been given effect in the Restated Ind AS summary statements:
Auditor's report on the Consolidated Financial Statements for year ended March 31, 2022:

Auditor's report on the consolidated financial statements of the Group expresses a modified opinion as at and for the financial years ended March 31, 2022 which do not require any adjustments in the restated consolidated summary statement are reproduced below in respect of the financial statements presented.

Basis for Qualified opinion:
We draw attention to Note 60 to the consolidated financial statements regarding certain instances of irregularities in disbursement/ payment of salary to fictitious and resigned employees in the current as well as earlier years in relation to a subsidiary (Washroom Hygiene Concepts Private Limited), of which we are statutory auditors. Based on initial inquiries, management of the subsidiary has quantified the possible impact of such irregularities to be ₹ 1.00 million (including ₹ 0.86 million relating to earlier years) and recovered such amounts from the employees concerned, during the current year. In this regard, the subsidiary Company has further initiated a forensic investigation of such irregularities by engaging an external independent expert and pending the completion of the same, we are unable to comment on the impact, if any, on the consolidated financial statements for the year ended March 31, 2022.

The investigation carried out by the external expert was concluded prior to the approval of the financial statements for the six-month period ended September 30, 2022. The investigation identified certain additional instances of irregularities in disbursement/ payment of salary to fictitious and left employees. The total impact assessed in relation to these irregularities amounts to INR 1.35 million. Management has considered the report of the expert and concluded that the impact of the irregularities identified by the expert have been provided for in the earlier years and believes no further adjustment is required to be made to the consolidated financial statements of the group. Management is also in the process of evaluating appropriate course of action, if any, to be taken against the employees involved.
Having regard to the foregoing, the Restated Consolidated Summary Statements have been prepared after giving effect to the above qualification.

Emphasis of matters not requiring adjustments to Restated Ind AS summary statements:
(a) Auditor's report on the Consolidated Financial Statements for year ended March 31, 2022:
We draw attention to Note 56 to the consolidated financial statements. The holding company has corrected certain prior period errors in respect of the matter more fully described in that note, by restating the comparative amounts for the year ended March 31, 2021 and the opening balances as at April 1, 2020 in accordance with Ind AS 8, "Accounting Policies, Change in Accounting Estimates and Errors". Our opinion is not modified in respect of this matter.
(b) Auditor's report on the Consolidated Financial Statements for year ended March 31, 2021:

We draw attention to Note 56 to the consolidated Ind AS financial statements relating to rectification and restatement of items described therein (primarily intangible assets and deferred taxes) as at and for the year ended March 31, 2020 in accordance with Ind AS 8, "Accounting Policies, Change in Accounting Estimates and Errors". Our opinion is not modified in respect of this matter.

The above does not require any adjustment in the Restated Consolidated Summary Statements.

(All amounts are in millions of Indian Rupees unless otherwise stated)

B) Non adjusting items

(ii) Auditor's Comments in Annexure to Auditors' Report:
As at and for the year ended March 31, 2022:

In terms of the information and explanations sought by us and given by the Holding Company and the books of accounts and records examined by us in the normal course of audit and to the best of our knowledge and belief and consideration of report of the other auditors on the separate financial statements and the other financial information of the subsidiary companies, incorporated in India, we state that:

S. No	Name	Relationship	Clause number of CARO report which is qualified / adverse
1	Updater Services Limited	Holding Company	(ii)(b), (vii)(a), (xi)(a)
2	Washroom Hygiene Concepts Private Limited	Subsidiary Company	(i)(b), (ii)(a), (vii)(a), (xi)(a), (xi)(c)
3	Wynwy Technologies Private Limited	Subsidiary Company	(vii)(a)
4	Tangy Supplies & Solutions Private Limited	Subsidiary Company	(vii)(a)
5	Fusion Foods and Catering Private Limited	Subsidiary Company	(vii)(a)
6	Avon Solutions & Logistics Private Limited	Subsidiary Company	(vii)(a)

Updater Services Limited (formerly known as Updater Services Private Limited):
Clause (ii)(b) of the CARO 2020

As disclosed in Note 21 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks and/or financial institutions during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks and financial institutions are not in agreement with the books of accounts of the Company and the details are as follows:

Quarter ending	Value per books of account	Value per quarterly return/statement	Discrepancy **
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
Debtors			
June 30, 2021	1,737.80	2,414.40	(676.50)
September 30, 2021	2,790.10	2,782.80	7.30
December 31, 2021	2,206.20	2,990.20	(783.90)
March 31, 2022	1,744.50	2,849.40	(1,104.90)
Creditors			
June 30, 2021	229.40	160.00	69.40
September 30, 2021	135.10	160.00	(24.90)
December 31, 2021	191.20	160.00	31.20
March 31, 2022	248.40	160.00	88.40
Sales for the period			
June 30, 2021	2,530.60	2,480.30	50.30
September 30, 2021	5,112.90	5,100.30	12.50
December 31, 2021	7,861.70	7,779.20	82.50
March 31, 2022	10,706.70	10,622.70	84.00
Purchases for the period			
June 30, 2021	162.10	135.00	27.10
September 30, 2021	363.00	260.00	103.00
December 31, 2021	546.30	320.00	226.30
March 31, 2022	822.00	320.00	502.00
Borrowings Outstanding			
June 30, 2021	365.00	194.10	170.90
September 30, 2021	953.10	95.30	857.70
December 31, 2021	940.30	94.00	846.30
March 31, 2022	570.00	57.00	513.00

** Remarks for discrepancy: As represented to us, the discrepancy in respect of borrowings outstanding reported for the quarter ending September 30, 2021, December 30, 2021 and March 31, 2022, was attributable to clerical errors while the discrepancies in respect of debtors, creditors, sales for the period, purchases for the period for all the quarters and borrowings for quarter ending June 30, 2021 were attributable to the Company's financial closure process being not fully completed at the time of filing quarterly statements.
Also refer Note 21 to the Standalone financial statements regarding submission of the revised statements to the respective banks during December 2022.

Clause (vii)(a) of the CARO 2020

Undisputed statutory dues including provident fund, employees' state insurance, professional tax, income-tax, goods and services tax, cess and other statutory dues have been regularly deposited with the appropriate authorities though there have been delays in respect of: Tax Deducted at Source (up to 1 day); Provident Fund (up to 29 days); Employee State Insurance (up to 29 days); Professional Tax (up to 119 days); Goods and Services Tax (up to 365 days) and Labour Welfare Fund (up to 1,066 days).
According to the information and explanations given to us and based on audit procedures performed by us, undisputed dues in respect of goods and services tax, provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, cess and other statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable, are as follows:

(All amounts are in millions of Indian Rupees unless otherwise stated)

Name of the Statute	Nature of the Dues	Amount ₹ in million	Period to which the amount relates	Due Date	Date of Payment	Remarks, if any
Labour Welfare Fund Act, 1965	Dues relating to gratuity payable, salary payable and bonus payable to employees unpaid for a period greater than 3 years to be transferred to Labour Welfare fund	28.05	FY 2016-17 to FY 2018-19	Various dates	Not Paid	NA
Goods and Services Tax	Dues relating to payment of GST	11.26	FY 2020-21 and FY 2021-22	Various dates	Not Paid	Also refer Note 51 to the financial statements.

Clause (xi)(a) of the CARO 2020

We draw attention to matter (i) of the Qualified Opinion paragraph in our opinion on internal controls over financial reporting as contained in Annexure 2 to the Independent Auditor's report, relating to material weaknesses in internal controls which may result in incorrect or inappropriate revenue recognition. Consequently, we are unable to comment if any fraud by the Company or fraud on the Company has been noticed or reported during the year.

2. Washroom Hygiene Concepts Private Limited:

Clause (i)(b) of the CARO 2020

As mentioned in paragraph B forming part of the Basis for Qualified Opinion included in our main report and Note 3A to the financial statements, Property, Plant & Equipment have been physically verified by the management during the year, except for certain Property, Plant & Equipment located at certain customer location amounting to INR 313.54 lakhs (gross block) and INR 22,98 lakhs (net block). No material discrepancies were noticed on the verification carried out during the year.

Clause (ii)(a) of the CARO 2020

The management has conducted physical verification of inventories at reasonable intervals during the year. In our opinion, coverage and procedure for such verification is appropriate. The management has identified material discrepancies which have been appropriately accounted for in the books of accounts. However, since the Company does not maintain sufficient and appropriate records for tracking of trading inventory separately from consumables inventory as well as records for issue of consumables, the management is unable to distinguish the variances on account of physical verification and standard consumption of inventory. Therefore, we are unable to comment on whether the discrepancies in aggregate for each class of inventory are more than 10% or not.

Clause (vii)(a) of the CARO 2020

Undisputed statutory dues including goods an services tax, provident fund, employees' state insurance, income-tax, sales tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues have been regularly deposited with the appropriate authorities though there have been a slight delay in case of: Income Tax (tax deducted at source) (up to 19 days) and Goods and Services Tax (up to 12 days). , provident fund (up to 156 days) and professional tax (up to 10 days). According to the information and explanations given to us and based on audit procedures performed by us, undisputed dues in respect of these statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable.

Clause (xi)(a) of the CARO 2020

Except for the matters described in the paragraph A of forming part of the Basis for Qualified Opinion in our main report, according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.

Clause (xi)(c) of the CARO 2020

During the year the Company has received certain whistle blower complaints for certain transactions which are currently being investigated. As mentioned in paragraph A forming part of the Basis for Qualified Opinion included in our main report and note 28 to the financial statements, pending the completion of such investigation we are unable to comment on the impact, if any, on the financial statements for the year.

3. Wnywy Technologies Private Limited:

Clause (vii)(a) of the CARO 2020

The Company is generally regular in depositing with appropriate authorities, the undisputed statutory dues including Goods and Service Tax (GST), Provident Fund, Employees; State Insurance, Income Tax, Sales Tax, Service Tax, duty of customs, duty of Excuse, Value added Tax, Cess and other statutory dues applicable to it with the appropriate authorities except in respect of Provident Fund, ESI, and Profession Tax where slight delay has been noticed and according to the information and explanations given to us, there are no undisputed dues of statutory dues which are outstanding as at 31st March 2022, for a period of more than six months from the date the became payable.

4. Tangy Supplies & Solutions Private Limited:

Clause (vii)(a) of the CARO 2020

The Company is generally regular in depositing with appropriate authorities, the undisputed statutory dues including Goods and Service Tax (GST), Provident Fund, Employees; State Insurance, Income Tax, Sales Tax, Service Tax, duty of customs, duty of Excuse, Value added Tax, Cess and other statutory dues applicable to it with the appropriate authorities except in respect of Provident Fund, ESI, and Profession Tax where slight delay has been noticed and according to the information and explanations given to us, there are no undisputed dues of statutory dues which are outstanding as at 31st March 2022, for a period of more than six months from the date the became payable.

5. Fusion Foods and Catering Private Limited:

Clause (vii)(a) of the CARO 2020

The Company is generally regular in depositing with appropriate authorities, except in respect of Professional Tax and Labour Welfare Fund dues where slight delays in remittance is noticed, the undisputed statutory dues including Goods and Service Tax (GST), Provident Fund, Employees; State Insurance, Income Tax, Sales Tax, Service Tax, duty of customs, duty of Excuse, Value added Tax, Cess and other statutory dues applicable to it with the appropriate authorities according to the information and explanations given to us, there are no undisputed dues of statutory dues which are outstanding as at 31st March 2022, for a period of more than six months from the date the became payable.

(All amounts are in millions of Indian Rupees unless otherwise stated)

6. Avon Solutions & Logistics Private Limited:

Clause (vii)(a) of the CARO 2020

Undisputed statutory dues including goods an services tax, provident fund, employees' state insurance, income-tax, sales tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues have been regularly deposited with the appropriate authorities though there have been delays in respect of: Income Tax (tax deducted at source) (up to 34 days) and Goods and Services Tax (up to 43 days).

According to the information and explanations given to us and based on audit procedures performed by us, undisputed dues in respect of goods and services tax, provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, cess and other statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable, are as follows:

Name of the Statute	Nature of the Dues	Amount ₹ in million	Period to which the amount relates
Labour Welfare Fund Act, 1965	Labour Welfare Fund	5.02	FY 2012-13 to FY 2018-19
The Employees' Provident Funds and Miscellaneous Provisions Act, 1952*	Provident Fund	2.83	FY 2007-08 to FY 2011-12

*excludes interest

(iii) Auditor's Comments on internal financial controls with reference to Consolidated Financial Statements:

As at and for the year ended March 31, 2022:

Auditors report on the adequacy and operating effectiveness of the Company's internal financial controls with reference to consolidated financial statements of the Group expresses a modified opinion as at and for the financial years ended March 31 2022 which do not require any adjustments in the restated consolidated summary statement are reproduced below in respect of the financial statements presented.

Qualified opinion on internal financial controls over financial reporting:

According to the information and explanations given to us and based on the report issued by other auditors on internal financial controls with reference to consolidated financial statements in case of its subsidiaries, which are companies incorporated in India, the following material weaknesses have been identified as at March 31, 2022:

In respect of the Holding Company:

a) The internal controls over timely identification of customer claims, their reconciliations and assessment of contractual compliance by the Company for recording the appropriate adjustments, were not operating effectively, which may result in incorrect or inappropriate revenue recognition.

b) The internal controls over the Company's compliance with GST regulations as regards credit notes were not operating effectively, which may result in recognising incorrect GST credits / receivables and any consequent liabilities under applicable laws and regulations.

c) The IT general controls including controls over change management and access control were not operating effectively, which may result in material misstatements in the Company's financial statements.

d) The internal controls over monitoring and responding to whistle blower allegations received were not operating effectively.

In respect of one subsidiary (Washroom Hygiene Concepts Private Limited), whose financial statements include total assets of ₹ 80.07 as at March 31, 2022 and total revenue of ₹ 80.04 for the year ended March 31, 2022,

e) a disclaimer of opinion has been issued as the company has not established its internal financial control framework with reference to financial statements based on or considering the essential components of internal control stated in the Guidance Note issued by ICAI.

C) Material Regrouping

Appropriate re-groupings have been made in the restated consolidated summary statement of assets and liabilities, restated consolidated summary statement of profit and loss and restated consolidated summary statement of cash flows, wherever required, by reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows, in order to bring them in line with the accounting policies and classification as per the Ind AS financial information of the Group for the period ended 30 September 2022 respectively prepared in accordance with Schedule III of Companies Act, 2013, requirements of Ind AS 1 and other applicable Ind AS principles and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018, as amended

As per our report of even date
For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Aravind K
Partner
Membership No. 221268

Place: Chennai
Date :March 25, 2023

For and on behalf of Board of Directors
Updater Services Limited
(Formerly known as Updater Services Private Limited)

Raghunandana Tangirala
Managing Director
DIN : 00628914

Pondicherry Chidambaram Balasubramanian
Director
DIN : 00584548

Balaji Swaminathan
Chief Financial Officer

B. Ravishankar
Company Secretary
Membership No: 08688

Place: Chennai
Date :March 25, 2023

PROFORMA FINANCIAL INFORMATION

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Independent Practitioners' Assurance Report on the Compilation of Unaudited Pro Forma Consolidated Financial Information included in a Draft Red Herring Prospectus in connection with the proposed initial public offer of Updater Services Limited (formerly known as Updater Services Private Limited)

To,
The Board of Directors
Updater Services Limited
2/302A, UDS Salai, OMR
Thoraipakkam Chennai 600 097
Tamilnadu, India

Report on the Compilation of Unaudited Pro Forma Consolidated Financial Information included in a Draft Red Herring Prospectus

1. We have completed our assurance engagement to report on the compilation of Unaudited Pro Forma Consolidated Financial Information of Updater Services Limited (formerly known as Updater Services Private Limited) (hereinafter referred to as the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as the "Group") by management of the Holding Company. The Unaudited Pro Forma Consolidated Financial Information consists of the unaudited proforma consolidated combined balance sheet as at September 30, 2022 and March 31, 2022, the unaudited proforma consolidated combined statement of profit and losses for the year ended March 31, 2022 and for the six month period ended September 30, 2022, and related notes to the unaudited proforma consolidated financial information. The applicable criteria on the basis of which the management of the Holding Company has compiled the Unaudited Pro Forma Consolidated Financial Information are described in Note 2 of the Unaudited Pro Forma Consolidated Financial Information.

2. The Unaudited Pro Forma Consolidated Financial Information has been compiled by the management of the Holding Company to illustrate the impact of the acquisition of Athena BPO Private Limited ("Athena") as set out in Note 2 to the Unaudited Pro Forma Consolidated Financial Information on the Group's financial position as at March 31, 2022 and September 30, 2022 as if the acquisition of Athena had been consummated on March 31, 2022 and September 30, 2022 respectively and its financial performance for the year ended March 31, 2022 and for the six month period ended September 30, 2022 as if the acquisition of Athena had consummated at April 1, 2021 and April 1, 2022 respectively.

3. As part of this process, information about the Group's financial position and financial performance has been extracted by the management of the Holding Company from the Group's restated consolidated summary statements for the year ended March 31, 2022 and for the six month period ended September 30, 2022, on which an examination report has been issued by us on March 25, 2023. The information about the financial position and financial performance of Athena has been extracted by the management of the Holding Company from the audited Special Purpose Consolidated Financial Statements of Athena for the year ended March 31, 2022 and for the six month period September 30, 2022, on which M/s Sukhbir and Associates, Chartered Accountants have issued unmodified audit opinions on March 24, 2023.

Management's Responsibility for the Unaudited Pro Forma Consolidated Financial Information

4. The management of the Holding Company is responsible for compiling the Unaudited Pro Forma Consolidated Financial Information on the basis set out in Note 2 to the Unaudited Pro Forma Consolidated Financial Information. This responsibility includes the responsibility for designing, implementing and maintaining internal control relevant for compiling the Unaudited Pro Forma Consolidated Financial Information on the basis set out in Note 2 to the Unaudited Pro Forma Consolidated Financial Information that is free from material misstatement, whether due to fraud or error. The management of Holding Company is also responsible for identifying and ensuring that the Holding Company complies with the laws and regulations applicable to its activities, including compliance with the provisions of the laws and regulations for the compilation of Unaudited Pro Forma Consolidated Financial Information.

Practitioners' Responsibilities

5. Our responsibility is to express an opinion, whether the Unaudited Pro Forma Consolidated Financial Information has been compiled, in all material respects, by the management of Holding Company on the basis set out in Note 2 to the Unaudited Pro Forma Consolidated Financial Information ("applicable criteria").

6. We conducted our engagement in accordance with Standard on Assurance Engagements (SAE) 3420, Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus, issued by the Institute of Chartered Accountants of India. This Standard requires that the Practitioner comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the management has compiled, in all material respects, the Unaudited Pro Forma Consolidated Financial Information on the basis set out in applicable criteria.

7. For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information / restated consolidated summary statements used in compiling the Unaudited Pro Forma Consolidated Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Unaudited Pro Forma Consolidated Financial Information.

8. For our assurance engagement, we have placed reliance on the following:

   a. the restated consolidated summary statements of the Group as of and for the year ended March 31, 2022 and for the six-month period ended September 30, 2022 and the relevant supporting information; and
   b. the Special Purpose Consolidated Financial Statements of Athena as of and for the year ended March 31, 2022 and for the six-month period ended September 30, 2022.

9. The purpose of Unaudited Pro Forma Consolidated Financial Information included in the draft red herring prospectus ("DRHP") is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction as at March 31, 2022 and September 30, 2022 or for the period then ended would have been, as presented.

10. A reasonable assurance engagement to report on whether the Unaudited Pro Forma Consolidated Financial Information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the management of Holding Company in the compilation of the Unaudited Pro Forma Consolidated Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

    a. The related pro forma adjustments give appropriate effect to those criteria; and
    b. The Unaudited Pro Forma Consolidated Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

    The procedures selected depend on the Practitioner's judgment, having regard to the Practitioner's understanding of the nature of the Group, the event or transaction in respect of which the Unaudited Pro Forma Consolidated Financial Information has been compiled, and other relevant engagement circumstances.

    The engagement also involves evaluating the overall presentation of the Unaudited Pro Forma Consolidated Financial Information.

11. Our work has not been carried out in accordance with the auditing or other standards and practices generally accepted in other jurisdictions and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

12. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

13. In our opinion, the Unaudited Pro Forma Consolidated Financial Information has been compiled, in all material respects, on the basis set out in the Note 2 to the Unaudited Pro Forma Consolidated Financial Information.

Restrictions on use

14. This report should not in any way be construed as a reissuance or re-auditing or re-examination of any of the previous audit reports issued by us and other auditors. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

15. Our report is intended solely for use of the Board of Directors of the Holding Company for inclusion in the DRHP to be filed with the Securities and Exchange Board of India, National Stock Exchange of India Limited, BSE Limited, and Registrar of Companies in connection with the Proposed Initial public offering of the Holding Company and is not to be used, referred to or distributed for any other purpose.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Aravind K
Partner
Membership Number: 221268
UDIN: 23221268BGXPOI6123
Place of Signature: Chennai
Date: March 25, 2023

Updater Services Limited (Formerly known as Updater Services Private Limited)
Unaudited Proforma Consolidated Combined Balance Sheet as at September 30, 2022
(All amounts are in millions of Indian Rupees unless otherwise stated)

Particulars	Restated Consolidated Summary Statement of Assets and Liabilities of Updated Services Limited as at September 30, 2022	Athena BPO Private Limited Special Purpose Consolidated Balance Sheet as at September 30, 2022	Acquisition Adjustments	Intragroup elimination	Total Adjustments	Note Reference for Adjustments	Unaudited Proforma Consolidated Combined Balance Sheet of Updated Services Limited as at September 30, 2022
	(A)	(B)	(C)	(D)	(E=C+D)		(F=A+B+E)
ASSETS							
I. Non-current assets							
Property, plant and equipment	442.64	147.12	-	-	-		589.76
Capital work in progress	48.77	-	-	-	-		48.77
Goodwill	1,280.28	-	580.78	-	580.78	3(v)	1,861.06
Other Intangible assets	284.65	11.23	339.20	-	339.20	3(ii)	635.08
Right-of-use assets	121.52	245.52	-	-	-		367.04
Contract Assets	208.62	-	-	-	-		208.62
Financial assets							
(i) Investments	0.10	-	-	-	-		0.10
(ii) Loans	1.67	0.21	-	-	-		1.88
(iii) Other financial assets	412.07	25.43	-	-	-		437.50
Deferred tax asset (net)	499.14	15.72	-	-	-		514.86
Income tax asset (Net)	-	23.02	-	-	-		23.02
Non-Current tax assets (net)	573.62	-	-	-	-		573.62
Other non-current assets	66.38	-	-	-	-		66.38
Total Non-current assets	**3,939.46**	**468.25**	**919.98**	**-**	**919.98**		**5,327.69**
II. Current assets							
Inventories	50.38	-	-	-	-		50.38
Contract Assets	715.23	-	-	-	-		715.23
Financial assets							
(ii) Trade receivables	4,224.62	226.00	-	-	-		4,450.62
(iii) Cash and cash equivalents	1,284.64	190.34	(469.40)	-	(469.40)	3(i)(c)	1,005.58
(iv) Bank balances other than (iii) above	241.50	103.26	-	-	-		344.76
(v) Loans	6.40	-	-	-	-		6.40
(vi) Other financial assets	86.03	2.63	-	-	-		88.66
Other current assets	255.96	12.50	-	-	-		268.46
Total Current Assets	**6,864.76**	**534.73**	**(469.40)**	**-**	**(469.40)**		**6,930.09**
Total Assets	**10,804.22**	**1,002.98**	**450.58**	**-**	**450.58**		**12,257.78**
EQUITY AND LIABILITIES							
III. Equity							
Equity share capital	528.18	5.76	(5.76)	-	(5.76)	3(i)(d)	528.18
Other equity	3,090.95	565.80	(565.80)	-	(565.80)	3(i)(c)	3,090.95
Equity attributable to equity holders of the parent	**3,619.13**	**571.56**	**(571.56)**	**-**	**(571.56)**		**3,619.13**
Non controlling interest	53.10	-	-	-	-		53.10
Total Equity	**3,672.23**	**571.56**	**(571.56)**	**-**	**(571.56)**		**3,672.23**

Updater Services Limited (Formerly known as Updater Services Private Limited)
Unaudited Proforma Consolidated Combined Balance Sheet as at September 30, 2022
(All amounts are in millions of Indian Rupees unless otherwise stated)

Particulars	Restated Consolidated Summary Statement of Assets and Liabilities of Updated Services Limited as at September 30, 2022	Athena BPO Private Limited Special Purpose Consolidated Balance Sheet as at September 30, 2022	Acquisition Adjustments	Intragroup elimination	Total Adjustments	Note Reference for Adjustments	Unaudited Proforma Consolidated Combined Balance Sheet of Updated Services Limited as at September 30, 2022
	(A)	(B)	(C)	(D)	(E=C+D)		(F=A+B+E)
IV. Non-current liabilities							
Financial liabilities							
(i) Borrowings	195.28	-	-	-	-		195.28
(ii) Lease Liabilities	75.31	185.25	-	-	-		260.56
(iii) Other Financial liabilities	506.68	-	586.80	-	586.80	3(i)(b)	1,093.48
Long Term Provisions	-	10.37	-	-	-		10.37
Net Employee defined benefit liabilities	511.84	-	-	-	-		511.84
Deferred Tax Liabilities	96.00	-	85.34	-	85.34	3(vii)	181.34
Total Non-Current Liabilities	**1,385.11**	**195.62**	**672.14**	**-**	**672.14**		**2,252.87**
V. Current Liabilities							
Financial liabilities							
(i) Borrowings	1,502.86	-	350.00	-	350.00	3(i)(a)	1,852.86
(ii) Lease Liabilities	54.84	70.98	-	-	-		125.82
(iii) Trade payables							
Total outstanding dues of micro enterprises and small enterprises	101.46	2.49	-	-	-		103.95
Total outstanding dues of creditors other than micro enterprises and small enterprises	570.26	100.66	-	-	-		670.92
(iv) Other current financial liabilities	2,549.46	-	-	-	-		2,549.46
Short Term Provisions	100.01	27.58	-	-	-		127.59
Net Employee defined benefit liabilities	188.72	-	-	-	-		188.72
Current tax liabilities (net)	37.62	-	-	-	-		37.62
Other current liabilities	641.65	34.09	-	-	-		675.74
Total Current Liabilities	**5,746.88**	**235.80**	**350.00**	**-**	**350.00**		**6,332.68**
Total Liabilities	**7,131.99**	**431.42**	**1,022.14**	**-**	**1,022.14**	**-**	**8,585.55**
TOTAL EQUITY AND LIABLITIES	**10,804.22**	**1,002.98**	**450.58**	**-**	**450.58**	**-**	**12,257.78**

Note: The above statement should be read with notes to proforma consolidated financial information.

As per our report of even date

For S.R.Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

For and on behalf of Board of Directors
Updater Services Limited
(Formerly known as Updater Services Private Limited)

per Aravind K
Partner
Membership No. 221268

Raghunandana Tangirala
Managing Director
DIN : 00628914

Pondicherry Chidambaram Balasubramanian
Director
DIN : 00584548

Balaji Swaminathan
Chief Financial Officer

B. Ravishankar
Company Secretary
Membership No: 08688

Place: Chennai
Date: March 25, 2023

Place: Chennai
Date: March 25, 2023

Updater Services Limited (Formerly known as Updater Services Private Limited)
Unaudited Proforma Consolidated Combined Statement of Profits and Losses for the six month period ended September 30, 2022
(All amounts are in millions of Indian Rupees unless otherwise stated)

Particulars	Restated Consolidated Summary Statement of Statement of Profits and Losses of Updated Services Limited for the six month period ended September 30, 2022	Athena BPO Private Limited Special Purpose Consolidated Statement of Profits and Losses for the six month period ended September 30, 2022	Acquisition Adjustments	Intragroup elimination	Total Adjustments	Note Reference for Adjustments	Unaudited Proforma Consolidated Combined Statement of Profits and Losses of Updater Services Limited for the six month period ended September 30, 2022
	(A)	(B)	(C)	(D)	(E=C+D)		(F=A+B+E)
Income							
Revenue from contracts with customers	9,851.16	672.31	-	-	-		10,523.47
Other income	84.92	3.47	-	-	-		88.39
Finance income	28.49	-	-	-	-		28.49
Total Income (I)	**9,964.57**	**675.78**	**-**	**-**	**-**		**10,640.35**
Expenses							
Cost of materials consumed	251.77	-	-	-	-		251.77
Purchases of traded goods	12.76	-	-	-	-		12.76
Cost of Services	1,313.68	-	-	-	-		1,313.68
Changes in inventories of Finished goods and traded goods	12.72	-	-	-	-		12.72
Employee benefits expense	6,448.20	467.64	-	-	-		6,915.84
Finance costs	47.59	14.32	59.32	-	59.32	3(viii)	121.23
Depreciation and amortization expense	142.89	63.36	18.06	-	18.06	3(iii)	224.31
Impairment losses on financial instrument and contract assets	28.03	-	-	-	-		28.03
Fair value changes in Liability payable/paid to promoters of acquired subsidiary	274.38	-	-	-	-		274.38
Other expenses	1,122.58	72.07	-	-			1,194.65
Total Expense (II)	**9,654.60**	**617.39**	**77.38**	**-**	**77.38**		**10,349.37**
Profit before tax (III=I-II)	**309.97**	**58.39**	**(77.38)**	**-**	**(77.38)**		**290.98**
Tax Expense :							
Current tax	143.61	9.83	-	-	-		153.44
Adjustment of tax relating to earlier periods	5.27	(18.19)	-	-	-		(12.92)
Deferred tax charge / (credit)	(40.84)	1.48	(4.55)	-	(4.55)	3(vii)	(43.91)
Income tax expense (IV)	**108.04**	**(6.88)**	**(4.55)**	**-**	**(4.55)**		**96.61**
Profit for the year/ period (V=III-IV)	**201.93**	**65.27**	**(72.83)**	**-**	**(72.83)**		**194.37**
Other Comprehensive Income:							
Items that will not to be reclassified to profit or loss in subsequent periods:							
Re-measurement gains/(losses) on defined benefit obligations (net)	15.00	(2.10)	-	-	-		12.90
Income tax effect	(3.15)	0.53	-	-	-		(2.62)
Other comprehensive income for the year/ period, net of tax (VI)	**11.85**	**(1.57)**	**-**	**-**	**-**		**10.28**
Total comprehensive Income for the year/ period, net of tax	**213.78**	**63.70**	**(72.83)**	**-**	**(72.83)**		**204.65**

Updater Services Limited (Formerly known as Updater Services Private Limited)
Unaudited Proforma Consolidated Combined Statement of Profits and Losses for the six month period ended September 30, 2022
(All amounts are in millions of Indian Rupees unless otherwise stated)

Particulars	Restated Consolidated Summary Statement of Statement of Profits and Losses of Updated Services Limited for the six month period ended September 30, 2022	Athena BPO Private Limited Special Purpose Consolidated Statement of Profits and Losses for the six month period ended September 30, 2022	Acquisition Adjustments	Intragroup elimination	Total Adjustments	Note Reference for Adjustments	Unaudited Proforma Consolidated Combined Statement of Profits and Losses of Updater Services Limited for the six month period ended September 30, 2022
	(A)	(B)	(C)	(D)	(E=C+D)		(F=A+B+E)
Restated Profit for the year/ period							
Attributable to:							
Equity holders of the parent	202.09	65.27	(72.83)		(72.83)		194.53
Non-controlling interests	(0.16)	-	-		-		(0.16)
Restated Other Comprehensive income for the year/ period							
Attributable to:							
Equity holders of the parent	11.68	(1.57)	-		-		10.11
Non-controlling interests	0.17	-	-		-		0.17
Restated Total comprehensive income for the year/ period							
Attributable to:							
Equity holders of the parent	213.77	63.70	(72.83)		(72.83)		204.64
Non-controlling interests	0.01	-	-		-		0.01
Earnings per equity share (Nominal Value ₹ 10 per share)							
Basic (Amount in ₹)*	3.83						3.87
Diluted (Amount in ₹)*	3.80						3.85

*The basic and diluted earnings per share are not annualised for the six months ended September 30, 2022.
Note: The above statement should be read with notes to proforma consolidated financial information.

As per our report of even date

For S.R.Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Aravind K
Partner
Membership No. 221268

Place: Chennai
Date: March 25, 2023

For and on behalf of Board of Directors
Updater Services Limited
(Formerly known as Updater Services Private Limited)

Raghunandana Tangirala
Managing Director
DIN : 00628914

Pondicherry Chidambaram Balasubramanian
Director
DIN : 00584548

Balaji Swaminathan
Chief Financial Officer

B. Ravishankar
Company Secretary
Membership No: 08688

Place: Chennai
Date: March 25, 2023

Updater Services Limited (Formerly known as Updater Services Private Limited)
Unaudited Proforma Consolidated Combined Balance Sheet as at March 31, 2022
(All amounts are in millions of Indian Rupees unless otherwise stated)

Particulars	Restated Consolidated Summary Statement of Assets and Liabilities of Updated Services Limited as at March 31, 2022	Athena BPO Private Limited Special Purpose Consolidated Balance Sheet as at March 31, 2022	Acquisition Adjustments	Intragroup elimination	Total Adjustments	Note Reference for Adjustments	Unaudited Proforma Consolidated Combined Balance Sheet of Updated Services Limited as at March 31, 2022
	(A)	(B)	(C)	(D)	(E=C+D)		(F=A+B+E)
ASSETS							
I. Non-current assets							
Property, plant and equipment	332.02	100.89	-	-	-		432.91
Capital work in progress	41.24	-	-	-	-		41.24
Goodwill	1,280.28	-	499.47	-	499.47	3(v)	1,779.75
Other Intangible assets	311.25	8.68	339.20	-	339.20	3(ii)	659.13
Right-of-use assets	120.35	232.49	-	-	-		352.84
Contract Assets	184.77	-	-	-	-		184.77
Financial assets							
(i) Investments	0.10	-	-	-	-		0.10
(ii) Loans	1.58	0.16	-	-	-		1.74
(iii) Other financial assets	307.27	26.89	-	-	-		334.16
Deferred tax asset (net)	473.84	16.67	-	-	-		490.51
Income tax asset (Net)	-	0.54	-	-	-		0.54
Non-Current tax assets (net)	519.42	-	-	-	-		519.42
Other non-current assets	120.78	-	-	-	-		120.78
Total Non-current assets	**3,692.90**	**386.32**	**838.67**	**-**	**838.67**		**4,917.89**
II. Current assets							
Inventories	63.26	-	-	-	-		63.26
Contract Assets	560.92	-	-	-	-		560.92
Financial assets							
(ii) Trade receivables	3,474.85	193.60	-	-	-		3,668.45
(iii) Cash and cash equivalents	572.86	166.05	(474.05)	-	(474.05)	3(i)(c)	264.86
(iv) Bank balances other than (iii) above	137.31	267.06	-	-	-		404.37
(v) Loans	6.27	0.17	-	-	-		6.44
(vi) Other financial assets	89.35	8.66	-	-	-		98.01
Other current assets	147.94	13.42	-	-	-		161.36
Total Current Assets	**5,052.76**	**648.96**	**(474.05)**	**-**	**(474.05)**		**5,227.67**
Total Assets	**8,745.66**	**1,035.28**	**364.62**	**-**	**364.62**		**10,145.56**
EQUITY AND LIABILITIES							
III. Equity							
Equity share capital	528.18	7.42	(7.42)	-	(7.42)	3(i)(d)	528.18
Other equity	2,876.09	645.45	(650.10)	-	(650.10)	3(i)(c)	2,871.44
Equity attributable to equity holders of the parent	**3,404.27**	**652.87**	**(657.52)**	**-**	**(657.52)**		**3,399.62**
Non controlling interest	53.09	-	-	-	-		53.09
Total Equity	**3,457.36**	**652.87**	**(657.52)**	**-**	**(657.52)**		**3,452.71**

Updater Services Limited (Formerly known as Updater Services Private Limited)
Unaudited Proforma Consolidated Combined Balance Sheet as at March 31, 2022
(All amounts are in millions of Indian Rupees unless otherwise stated)

Particulars	Restated Consolidated Summary Statement of Assets and Liabilities of Updated Services Limited as at March 31, 2022	Athena BPO Private Limited Special Purpose Consolidated Balance Sheet as at March 31, 2022	Acquisition Adjustments	Intragroup elimination	Total Adjustments	Note Reference for Adjustments	Unaudited Proforma Consolidated Combined Balance Sheet of Updated Services Limited as at March 31, 2022
	(A)	(B)	(C)	(D)	(E=C+D)		(F=A+B+E)
IV. Non-current liabilities							
Financial liabilities							
(i) Borrowings	-	-	-	-	-		-
(ii) Lease Liabilities	78.68	162.25	-	-	-		240.93
(iii) Other Financial liabilities	804.14	-	586.80	-	586.80	3(i)(b)	1,390.94
Long Term Provisions	-	8.82	-	-	-		8.82
Net Employee defined benefit liabilities	488.00	-	-	-	-		488.00
Deferred Tax Liabilities	108.48	-	85.34	-	85.34	3(vii)	193.82
Total Non-Current Liabilities	**1,479.30**	**171.07**	**672.14**	**-**	**672.14**		**2,322.51**
V. Current Liabilities							
Financial liabilities							
(i) Borrowings	586.79	0.57	350.00	-	350.00	3(i)(a)	937.36
(ii) Lease Liabilities	47.69	73.84	-	-	-		121.53
(iii) Trade payables							
Total outstanding dues of micro enterprises and small enterprises	57.75	1.27	-	-	-		59.02
Total outstanding dues of creditors other than micro enterprises and small enterprises	399.04	78.99	-	-	-		478.03
(iv) Other current financial liabilities	1,780.58	-	-	-	-		1,780.58
Short Term Provisions	99.92	5.06	-	-	-		104.98
Net Employee defined benefit liabilities	192.45	-	-	-	-		192.45
Current tax liabilities (net)	37.13	13.86	-	-	-		50.99
Other current liabilities	607.65	37.75	-	-	-		645.40
Total Current Liabilities	**3,809.00**	**211.34**	**350.00**	**-**	**350.00**		**4,370.34**
Total Liabilities	**5,288.30**	**382.41**	**1,022.14**	**-**	**1,022.14**	**-**	**6,692.85**
TOTAL EQUITY AND LIABLITIES	**8,745.66**	**1,035.28**	**364.62**	**-**	**364.62**	**-**	**10,145.56**

Note: The above statement should be read with notes to proforma consolidated financial information**.**

As per our report of even date

For S.R.Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

For and on behalf of Board of Directors
Updater Services Limited
(Formerly known as Updater Services Private Limited)

per Aravind K
Partner
Membership No. 221268

Raghunandana Tangirala
Managing Director
DIN : 00628914

Pondicherry Chidambaram Balasubramanian
Director
DIN : 00584548

Balaji Swaminathan
Chief Financial Officer

B. Ravishankar
Company Secretary
Membership No: 08688

Place: Chennai
Date: March 25, 2023

Place: Chennai
Date: March 25, 2023

Updater Services Limited (Formerly known as Updater Services Private Limited)
Unaudited Proforma Consolidated Combined Statement of Profits and Losses for the year ended March 31, 2022
(All amounts are in millions of Indian Rupees unless otherwise stated)

Particulars	Restated Consolidated Summary Statement of Statement of Profits and Losses of Updated Services Limited for the year ended March 31, 2022	Athena BPO Private Limited Special Purpose Consolidated Statement of Profits and Losses for the year ended March 31, 2022	Acquisition Adjustments	Intragroup elimination	Total Adjustments	Note Reference for Adjustments	Unaudited Proforma Consolidated Combined Statement of Profits and Losses of Updater Services Limited for the year ended March 31, 2022
	(A)	(B)	(C)	(D)	(E=C+D)		(F=A+B+E)
Income							
Revenue from contracts with customers	14,835.52	1,143.67	-	-	-		15,979.19
Other income	83.34	16.57	-	-	-		99.91
Finance income	60.07	-	-	-	-		60.07
Total Income (I)	**14,978.93**	**1,160.24**	**-**	**-**	**-**		**16,139.17**
Expenses							
Cost of materials consumed	387.20	-	-	-	-		387.20
Purchases of traded goods	19.71	-	-	-	-		19.71
Cost of Services	954.10	-	-	-	-		954.10
Changes in inventories of Finished goods and traded goods	(13.44)	-	-	-	-		(13.44)
Employee benefits expense	10,681.77	724.88	-	-	-		11,406.65
Finance costs	50.68	18.97	118.65	-	118.65	3(viii)	188.30
Depreciation and amortization expense	165.34	106.97	36.12	-	36.12	3(iii)	308.43
Impairment losses on financial instrument and contract assets	60.01	-	-	-	-		60.01
Fair value changes in Liability payable/paid to promoters of acquired subsidiary	213.48	-	-	-	-		213.48
Other expenses	1,750.67	118.95	4.65	-	4.65	3(iv)	1,874.27
Total Expense (II)	**14,269.52**	**969.77**	**159.42**	**-**	**159.42**		**15,398.71**
Profit before tax (III=I-II)	**709.41**	**190.47**	**(159.42)**	**-**	**(159.42)**		**740.46**
Tax Expense :							
Current tax	209.48	58.67	-	-	-		268.15
Adjustment of tax relating to earlier periods	(12.98)	(0.56)	-	-	-		(13.54)
MAT Credit utilised / (entitled)	-	14.21	-	-	-		14.21
Deferred tax charge / (credit)	(60.78)	(2.50)	(9.09)	-	(9.09)	3(vii)	(72.37)
Income tax expense (IV)	**135.72**	**69.82**	**(9.09)**	**-**	**(9.09)**		**196.45**
Profit for the year/ period (V=III-IV)	**573.69**	**120.65**	**(150.33)**	**-**	**(150.33)**		**544.01**
Other Comprehensive Income:							
Items that will not to be reclassified to profit or loss in subsequent periods:							
Re-measurement gains/(losses) on defined benefit obligations (net)	(32.68)	(2.77)	-	-	-		(35.45)
Income tax effect	5.51	0.80	-	-	-		6.31
Other comprehensive income for the year/ period, net of tax (VI)	**(27.17)**	**(1.97)**	**-**	**-**	**-**		**(29.14)**
Total comprehensive Income for the year/ period, net of tax	**546.52**	**118.68**	**(150.33)**	**-**	**(150.33)**		**514.87**

Updater Services Limited (Formerly known as Updater Services Private Limited)
Unaudited Proforma Consolidated Combined Statement of Profits and Losses for the year ended March 31, 2022
(All amounts are in millions of Indian Rupees unless otherwise stated)

Particulars	Restated Consolidated Summary Statement of Statement of Profits and Losses of Updated Services Limited for the year ended March 31, 2022	Athena BPO Private Limited Special Purpose Consolidated Statement of Profits and Losses for the year ended March 31, 2022	Acquisition Adjustments	Intragroup elimination	Total Adjustments	Note Reference for Adjustments	Unaudited Proforma Consolidated Combined Statement of Profits and Losses of Updater Services Limited for the year ended March 31, 2022
	(A)	(B)	(C)	(D)	(E=C+D)		(F=A+B+E)
Restated Profit for the year/ period							
Attributable to:							
Equity holders of the parent	552.91	120.65	(150.33)		(150.33)		523.23
Non-controlling interests	20.78	-	-		-		20.78
Restated Other Comprehensive income for the year/ period							
Attributable to:							
Equity holders of the parent	(27.16)	(1.97)	-		-		(29.13)
Non-controlling interests	(0.01)	-	-		-		(0.01)
Restated Total comprehensive income for the year/ period							
Attributable to:							
Equity holders of the parent	525.75	118.68	(150.33)		(150.33)		494.10
Non-controlling interests	20.77	-	-		-		20.77
Earnings per equity share (Nominal Value ₹ 10 per share)							
Basic (Amount in ₹)	10.47						9.75
Diluted (Amount in ₹)	10.40						9.68

Note: The above statement should be read with notes to proforma consolidated financial information**.**

As per our report of even date

For S.R.Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

For and on behalf of Board of Directors
Updater Services Limited
(Formerly known as Updater Services Private Limited)

per Aravind K
Partner
Membership No. 221268

Raghunandana Tangirala
Managing Director
DIN : 00628914

Pondicherry Chidambaram Balasubramanian
Director
DIN : 00584548

Balaji Swaminathan
Chief Financial Officer

B. Ravishankar
Company Secretary
Membership No: 08688

Place: Chennai
Date: March 25, 2023

Place: Chennai
Date: March 25, 2023

Updater Services Limited (Formerly known as Updater Services Private Limited)
Notes to the unaudited proforma consolidated financial information as at and for the year ended March 31, 2022 and six months ended September 30, 2022
(All amounts are in millions of Indian Rupees unless otherwise stated)

1 Background

Updater Services Limited (formerly known as Updater Services Private Limited) ("the Company") was incorporated on November 13, 2003. The company is a limited company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the company is located at 2/302A, UDS Salai, off Old Mahabalipuram Road, Thoraipakkam, Chennai.

The Company and its subsidiaries ("the Group") are carrying out business of providing facility management services like integrated facility management services to various industries such as information technology enabled services, manufacturing, hospitality and other industries and catering services, which includes industrial catering, and services at food courts. Facility management services includes housekeeping, janitorial, garden management, pest control, waste management, vendor management, cleaning and mail room services, mechanical and electrical services, water management, hygiene management, plumbing, energy/safety audit, design erection, installation, testing and commissioning and catering

Subsequent to the period ended September 30, 2022, the Company has undertaken following acquisition in respect of which these unaudited proforma consolidated financial information is being prepared:

On December 23, 2022, the Company acquired 57% equity in Athena BPO Private Limited along with its 100% subsidiary Athena Call Centre Services Private Limited ("the Athena Group") which has with effect from that date become a subsidiary of the Company (together referred as "Parties to the Agreement"). The Company has agreed to subscribe to and purchase the remaining 43% of the equity shares of Athena over 4 years (which may be extended by 1 year) in three tranches for a purchase consideration as mentioned in share purchase agreement. The principal activity of the Athena Group is providing Business Process Outsourcing (BPO) services.

The financial information gives effect to the acquisition of the Athena Group for present value of consideration amounting to ₹ 1,406.20 million on December 23, 2022. The consideration is payable in 4 tranches in cash as per the contractual agreement between the parties upon acquisition. The tranche I of the purchase consideration amounting to ₹ 819.40 million was paid in cash on acquisition. This was partly funded by way of a loan taken by the Company amounting to ₹ 350.00 million.

2 Basis of Preparation

The unaudited proforma consolidated financial information has been prepared by the Management of the Company in accordance with the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended to date (the “SEBI Regulations”) issued by the Securities and Exchange Board of India (the “SEBI”) to illustrate the impact of a significant acquisition as mentioned in point 1 above, made after the date of the latest period for which financial information is disclosed in the Draft Red Herring Prospectus (DRHP) (i.e. six months ended September 30, 2022) but before the filling of DRHP as if the acquisition had taken place
(i) on September 30, 2022 and March 31, 2022 for the purpose of unaudited proforma consolidated combined balance sheet and
(ii) on April 01, 2021 and April 01, 2022 for the purpose of unaudited proforma consolidated combined statement of profit and loss.
The unaudited proforma consolidated financial information have been prepared specifically for inclusion in the Offer Document to be filed by the Company with SEBI in connection with proposed Initial Public Offering (“IPO”).

The unaudited proforma consolidated financial information are derived from restated consolidated summary statements of the Group, special purpose consolidated Ind AS financial statements of Athena Group as of March 31, 2022 (‘March 22 special purpose consolidated financial statements’) and special purpose interim consolidated Ind AS financial statements as of September 30, 2022 (‘September 22 special purpose interim consolidated financial statements’) (The March 22 special purpose consolidated financial statements and September 22 special purpose interim consolidated financial statements are collectively referred to as the “special purpose consolidated financial statements”), adjusted for intercompany eliminations and acquisition adjustments for subsequent acquisition mentioned above, as if the transaction related to such acquisition to obtain control over Athena Group had occurred on March 31, 2022 and September 30, 2022 for the purpose of unaudited proforma consolidated combined balance sheet. Further, the unaudited proforma consolidated combined statement of profit and loss for the year ended March 31, 2022 and six months period ended September 30, 2022 has been illustrated to reflect the acquisition of Athena Group as if the transaction related to acquisition of aforesaid to obtain control over Athena Group occurred on and from April 01, 2021 and April 01, 2022 respectively. The description of adjustments made to the unaudited proforma consolidated financial information are included in the note 3 below.

The unaudited proforma consolidated financial information are presented in Indian Rupees (INR) which is also the Group's functional currency. All values are rounded to the nearest million except when otherwise stated.

The assumptions and estimates underlying the adjustments to the unaudited proforma consolidated financial information are described hereinafter which should be read together with the unaudited proforma consolidated combined statement of profit and loss and unaudited proforma consolidated combined balance sheet.

The unaudited proforma consolidated financial information are prepared using uniform accounting policies for the like transactions and other events in similar circumstances. The financial statements of all entities used for the purpose of unaudited proforma consolidated financial information are drawn up to the same reporting date as that of the Company, i.e., year ended on March 31, 2022 and period ended on September 2022.

The unaudited proforma consolidated financial information should be read together with the Groups 's restated consolidated summary statements and the special purpose consolidated financial statements of Athena Group.

The business combination has been accounted for under the acquisition method in accordance with Ind AS 103 'Business Combinations'. Accordingly, Group has provisionally allocated the purchase consideration to the estimated fair value of assets acquired and liabilities assumed and recognised the difference between purchase consideration and net assets as goodwill in the unaudited proforma consolidated combined balance sheet as at September 30, 2022 and March 31, 2022.

The proforma consolidated financial information were approved by the Board of Directors of the Company on March 25, 2023.

Because of their nature, the unaudited proforma consolidated financial information addresses a hypothetical situation and therefore, do not represent Group's factual financial position or results. Accordingly, the unaudited proforma consolidated financial information does not necessarily reflect what the Group's financial condition or results of operations would have been had the acquisitions occurred on the dates indicated and is also not intended to be indicative of expected financial position or results of operations in future periods. The actual balance sheet and statement of profit and loss may differ significantly from the proforma amounts reflected herein due to variety of factors.

(All amounts are in millions of Indian Rupees unless otherwise stated)

The proforma adjustments are based upon available information and assumptions that the management of the Company believes to be reasonable. Further, such unaudited proforma consolidated financial information has not been prepared in accordance with standards and practices acceptable in any other jurisdiction and accordingly, should not be relied upon as if it had been carried out in accordance with standards and practices in any other jurisdiction. Accordingly, the degree of reliance placed by anyone on such unaudited proforma consolidated financial information should be limited. In addition, the rules and regulations related to the preparation of unaudited proforma consolidated financial information in other jurisdictions may also vary significantly from the basis of preparation as set out in paragraphs above to prepare these unaudited proforma consolidated financial information.

The restated consolidated summary statements have been adjusted in the unaudited proforma consolidated financial information to give effect to the proforma event that are (1) directly attributable to such acquisition and (2) factually supportable.

The unaudited proforma consolidated financial information is based on:

a) the restated consolidated summary statement of assets and liabilities as at March 31, 2022 and as at September 30, 2022 and restated consolidated summary statement of profit and loss accounts of the Group for the year ended March 31, 2022 and for six months period ended September 30, 2022; and
b) the audited Special Purpose Consolidated Ind AS Financial Statements of Athena Group as of and for the year ended March 31, 2022 and as of and for the six months period ended September 30, 2022.
c) intra group elimination between the Group and Athena Group, if any, as at March 31, 2022 and September 30, 2022 and for the year ended March 31, 2022, six months period ended September 30, 2022.
d) adjustments to the unaudited proforma consolidated financial information arising from balances between the Group and the acquired entity during the year ended March 31, 2022 for the purpose of unaudited consolidated combined proforma Balance sheet,
e) adjustments to the unaudited proforma consolidated financial information arising from transactions between the Group and the acquired entity during the year ended March 31, 2022 and six months period ended September 30, 2022 for the purpose of unaudited consolidated combined proforma Statement of profit and loss,
f) adjustments to recognise the impact of allocation of purchase consideration paid/payable by the Company.

3 Proforma Adjustments
The Special Purpose Consolidated Ind AS Financial Statements of Athena Group have been prepared in accordance with the measurement and recognition principles of Ind AS and the management of Updater Services Limited has adjusted the unaudited proforma consolidated financial information to comply with the Group's accounting policies in all material aspects (collectively referred to as "Group accounting policies" as appearing in Restated Consolidated Summary Statements). Such financial information has been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis.

The following adjustments have been made to present the unaudited proforma consolidated financial information:

Acquisition related adjustments:

(i) For the unaudited proforma consolidated combined balance sheet as at March 31, 2022 and as at September 30, 2022, the total present value of purchase consideration payable is ₹ 1,406.20 millions. Of this, ₹ 819.40 million has been paid out and the balance is payable in cash as per the contractual agreement between the parties upon the acquisition., adjusted as below:

(a) For the purpose of this acquisition, the Company borrowed from a financial institution ₹ 350 million @ 8.75% annual interest rate for a period of 12 months. The borrowing has been added to cash & cash equivalents. Further, the consideration paid amounting to ₹ 819.40 million been reduced from cash & cash equivalents. The said adjustments have been considered in the unaudited proforma consolidated combined balance sheet.

(b) As per the accounting policy of the Group, non-controlling interest in Athena Group is not recognised as the Group has a right / obligation to purchase the shares held by NCI and consequently the liability in respect of such shares towards the erstwhile promoters of such subsidiary is recognised as financial liabilities in the unaudited consolidated proforma financial information. The present value of the deferred consideration , i.e., ₹ 586.80 million has been considered in the unaudited proforma consolidated combined balance sheet as at March 31, 2022 and September 30, 2022 under Other Financial Liabilities. The unwinding of discount on deferred consideration payable amounting to ₹ 88.02 million and ₹ 44.01 million has been considered in the unaudited proforma Consolidated combined Statement of Profit or Loss for the year ended March 31, 2022 and six month period ended September 30, 2022 respectively.

(c) The equity share capital of the Athena Group along with the Other equity components stand eliminated as at March 31, 2022 and September 30, 2022.

Adjustments in Cash & Cash Equivalents & Other Equity as at March 31, 2022

Particulars	Cash & Cash Equivalents	Other Equity
Loan taken (Refer Note 3(i)(a))	350.00	-
Purchase Consideration paid (Refer Note 3(i))	(819.40)	-
Acquisition Costs paid (Refer Note 3(iv))	(4.65)	(4.65)
Elimination of Reserves of Athena Group (Refer Note (d) below)	-	(645.45)
Total	**(474.05)**	**(650.10)**

Adjustments in Cash & Cash Equivalents & Other Equity as at September 30, 2022

Particulars	Cash & Cash Equivalents	Other Equity
Loan taken (Refer Note 3(i)(a))	350.00	-
Purchase Consideration paid (Refer Note 3(i))	(819.40)	-
Elimination of Reserves of Athena Group (Refer Note (d) below)	-	(565.80)
Total	**(469.40)**	**(565.80)**

(All amounts are in millions of Indian Rupees unless otherwise stated)

(d) Investment of the Company in Athena Group stands eliminated with equity share capital of Athena Group amounting to ₹ 7.42 million and ₹ 5.76 million as at March 31, 2022 and September 30, 2022 respectively and other equity of Athena Group amounting to ₹ 650.10 million and ₹ 565.80 million as at March 31, 2022 and September 30, 2022 respectively

(ii) Intangibles (Brand, Non-Compete Agreements, and, Customer Relations) have been valued by an independent valuer at ₹ 339.20 million. These have been recognised in the unaudited proforma consolidated combined balance sheets as at March 31, 2022 and September 30, 2022.

(iii) Amortisation of Intangibles, based on useful life as assessed by the management, has been considered for the year ended March 31, 2022 and six months period ended September 30, 2022.

(iv) Acquisition costs amounting to ₹ 4.65 million have been incurred by the Company during six month period ended September 2022 in connection with the Athena Group acquisition. Consequently, the same has been considered as Other expenses and also reduced from cash & cash equivalents for the year ended March 31, 2022.

(v) The present value of purchase price of ₹ 1,406.20 million has been provisionally allocated to the acquired assets and liabilities as follows:

Particulars	As at March 31, 2022	As at September 30, 2022
Net Assets	652.87	571.56
Goodwill	499.47	580.78
Intangible Assets	339.20	339.20
Less: Deferred Tax on intangible assets (Refer Note (vii))	85.34	85.34
Total	**1,406.20**	**1,406.20**

The goodwill has been calculated based on the special purpose consolidated balance sheet of Athena Group as at March 31, 2022 and as of September 30, 2022 respectively. As of March 31, 2022, the fair value of the net assets (including intangible assets net of deferred tax on intangible assets) acquired of Athena Group, amounts to ₹ 906.73 million. Accordingly, an amount of ₹ 449.47 million being the excess of the aggregate of the present value of purchase consideration for the acquisition over net assets acquired, has been recognized as goodwill on consolidation. As of September 30, 2022, the fair value of the net assets (including intangible assets net of deferred tax on intangible assets) acquired of Athena Group amounts to ₹ 825.42 million. Accordingly, an amount of ₹ 580.78 million being the excess of the aggregate of the present value of purchase consideration for the acquisition over net assets acquired has been recognised as goodwill on consolidation.

The goodwill and other acquisition related adjustments computed in case of acquisition of the above entity is based on purchase price allocation ("PPA") available with the Company as at March 31, 2022 and September 30, 2022 assessed on a provisional basis. The final PPA will be determined when the Company has completed detailed valuations and necessary calculations. The final allocation could differ materially from the provisional allocation used in proforma adjustments. The final allocation may include (1) changes in allocations to specified intangible assets as well as goodwill and (2) other changes to assets and liabilities. Adjustment, resulting from changes in PPA, shall be carried out in the consolidated financial statements of the Company for the year ending March 31, 2023.

(vi) There were no transactions or balances outstanding between the Group and the Athena Group. Accordingly, no Intra group elimination adjustments were required to be made between the Group and the Athena Group.

(vii) A deferred tax liability of ₹ 85.34 million as at March 31, 2022 and as at September 30, 2022 has been recognised due to temporary differences arising on account of recognition of intangible assets upon acquisition. The same has been adjusted against the goodwill recognised as a acquisition adjustment (Refer Note 3(v)). The reversal of deferred tax liability due to amortization of intangible assets amounting to ₹ 9.09 million and ₹ 4.55 million has been considered in the unaudited proforma consolidated combined Statement of Profit or Loss for the year ended March 31, 2022 and six month period ended September 30, 2022 respectively.

(viii) The interest on borrowings and unwinding of discount on deferred consideration for the year ended March 31, 2022 and six months period ended September 30, 2022 is as follows:

Particulars	For the year ended March 31, 2022	For the six months period ended September 30, 2022
Interest on borrowings (Refer Note 3(i)(a))	30.63	15.31
Unwinding of discount on deferred consideration payable (Refer Note 3(i)(b))	88.02	44.01
Total	**118.65**	**59.32**

(ix) Other than as mentioned above, no additional adjustments have been made to the unaudited proforma consolidated combined balance sheet or the unaudited proforma consolidated combined statement of profit and loss to reflect any trading results or other transactions of the Group entered into subsequent to September 30, 2022.

As per our report of even date

For S.R.Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Aravind K

Partner
Membership No. 221268

Place: Chennai
Date: March 25, 2023

For and on behalf of Board of Directors
Updater Services Limited
(Formerly known as Updater Services Private Limited)

Raghunandana Tangirala
Managing Director
DIN : 00628914

Pondicherry Chidambaram Balasubramanian
Director
DIN : 00584548

Balaji Swaminathan
Chief Financial Officer

B. Ravishankar
Company Secretary
Membership No: 08688

Place: Chennai
Date: March 25, 2023

ATHENA CONSOLIDATED AUDITED FINANCIAL STATEMENTS

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sukhbir & associates
Chartered Accountants

Independent Auditors' Report

To the Board of Directors of,
Athena BPO Private Limited

Report on Audit of Special Purpose Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying Special Purpose Consolidated Ind AS Financial Statements of **Athena BPO Private Limited** ("*the Holding Company*") *and* its subsidiaries *(the Holding company and its subsidiaries together referred to as "the Group")* which comprises of the special purpose consolidated Balance Sheet as at March 31, 2022, the special purpose consolidated Statement of Profit and Loss (including Other Comprehensive Income), the special purpose consolidated Statement of Changes in Equity and the special purpose consolidated Statement of Cash Flows for the year then ended, and Notes to the financial statements, including a summary of significant accounting policies and other explanatory information (herein referred to as "Special Purpose Consolidated Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Special Purpose Consolidated Ind AS Financial Statements are prepared, in all material respects, in accordance with the basis of the preparation as set out in Note 2.a. of the Special Purpose Consolidated Ind AS Financial Statements of the state of affairs of the Group as at March 31, 2022, and profit, its cash flows and changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Special Purpose Consolidated Ind AS Financial Statements' section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Special Purpose Consolidated Ind AS Financial Statements.

Emphasis of Matter

We draw attention to Note 2.a. to the Special Purpose Consolidated Ind AS Financial Statements, which describes the basis of preparation in accordance with the measurement and recognition principles of Indian Accounting Standard (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) after considering the transition date of 1 April 2021. Further, the Special Purpose Consolidated Financial Statements of the Group have been prepared for the purpose of preparation of Proforma Financial Statements by Updater Services Limited ("Issuer Company") which will be included in Initial Public Offering documents pursuant to the requirements of Issue of Capital and Disclosure Requirements, 2018 as amended and hence, these Special Purpose Consolidated Financial Statements do not include certain disclosures which would have otherwise been required for general purpose Consolidated financial statements. These Special Purpose Consolidated Financial Statements omit disclosures such as transition date balance sheet, comparative information and certain other disclosures as envisaged under Ind AS and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III).

Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Special Purpose Consolidated Ind AS Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation of these Special Purpose Consolidated Ind AS Financial Statements that which have been prepared in accordance with the basis of the preparation as set out in Note 2.a. of the Special Purpose Consolidated Ind AS Financial Statements. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Special Purpose Consolidated Ind AS Financial Statements are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the Special Purpose Consolidated Ind AS Financial Statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the Special Purpose Consolidated Ind AS financial statements, the Management and the Board of Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Holding Company's Board of Directors is also responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Special Purpose Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Special Purpose Consolidated Ind AS Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Special Purpose Consolidated Ind AS Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Special Purpose Consolidated Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Holding Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of Holding Company's management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Special Purpose Consolidated Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Basis of Accounting and Restriction on Distribution and Use:

Without modifying our opinion, we draw attention to Note 2.a. to the Special Purpose Consolidated Ind AS Financial Statements, which describes the basis of preparation. The accompanying Special Purpose Consolidated Ind AS Financial Statements have been prepared for the purpose of preparation of Proforma financial statements by the Issuer Company which will be included in Initial public offering documents pursuant to the requirements of Issue of Capital and Disclosure Requirements, 2018 as amended. As a result, Special Purpose Consolidated Ind AS Financial Statements may not be suitable for any other purposes. Our report is solely for the use of the Board of Directors of the Company and for the use of current statutory auditors of the Issuer Company and for its inclusion in the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus of the Issuer Company and should not be distributed to or used by other parties without our prior consent.

For Sukhbir & Associates
Chartered Accountants

S.S. Sahni
(Partner)
ICAI Firm Reg. No: 132961W
Membership No.: 38638
UDIN: 23038638BGWSZO3044

Place: Mumbai
Date: 24th March 2023

Athena BPO Private Limited

Special Purpose Consolidated Balance Sheet

(Rs. In Millions)

Sr No	Particulars	Note	As at 31 March 2022
I	**ASSETS**		
	(1) Non-current Assets		
	(a) Property, plant and equipment	*4a*	100.89
	(b) Intangible assets	*4b*	8.68
	(c) Right Of Use Asset	*4c*	232.49
	(d) Financial assets		
	(i) Other financial assets	*5*	27.05
	(e) Deferred tax assets (net)	*6a*	16.67
	(f) Income tax assets (net)	*7*	0.54
	Total Non-current Assets		**386.32**
	(2) Current Assets		
	(a) Financial assets		
	(i) Trade receivables	*8*	193.60
	(ii) Cash and cash equivalents	*9a*	166.05
	(iii) Bank balances other than (ii) above	*9b*	267.06
	(iv) Other current financial assets	*10*	8.83
	(b) Other current assets	*11*	13.42
	Total Current Assets		**648.96**
	Total Assets		**1,035.28**
II	**EQUITY AND LIABILITIES**		
	(1) Equity		
	(a) Equity share capital	*12*	7.42
	(b) Other equity	*13*	645.45
	Total Equity		**652.87**
	(2) Non-current liabilities		
	(a) Financial liabilities		
	(i) Lease Liabilities	*14*	162.25
	(ii) Borrowings	*15*	-
	(b) Provisions	*16*	8.82
	Total Non-current liabilities		**171.07**
	(3) Current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	*17*	0.57
	(ii) Lease Liabilities	*18*	73.84
	(iii) Trade payables	*19*	
	a) total outstanding dues of micro and small enterprises		1.26
	b) total outstanding dues of creditors other than micro and small enterprises		78.99
	(b) Other current liabilities	*20*	37.76
	(c) Current tax liabilities (net)	*21*	13.85
	(d) Short Term Provisions	*22*	5.07
	Total Current liabilities		**211.34**
	Total Liabilities		**382.41**
	Total Equity and Liabilities		**1,035.28**

See accompanying notes forming part of the financial statements

As per our report of even date attached.

For Sukhbir & Associates
Chartered Accountants

For and on behalf of the Board of Directors

S. S. Sahni
(Partner)
Firm Reg. No.: 132961W
Membership No. : 038638

Elizabeth Jacob
Director & CEO
DIN: 00095493

Nagesh Rao
Director & CFO
DIN: 02083552

Place: Mumbai
Date:

Athena BPO Private Limited

Special Purpose Consolidated Statement of Profit and Loss

(Rs. In Millions)

Sr No	Particulars	Note	For the year ended 31 March 2022
	Income		
I	Revenue from operations	*23*	1,143.67
II	Other income	*24*	16.58
III	**Total Income (I+II)**		**1,160.25**
IV	**Expenses**		
	(1) Employee benefits expense	*25*	724.88
	(2) Finance Cost	*26*	18.97
	(3) Depreciation and Amortization Expenses	*4*	106.97
	(4) Other Expenses	*27*	118.95
	Total Expenses		**969.77**
V	**Profit Before Tax (III-IV)**		**190.48**
VI	**Tax Expenses**		
	(1) Current Tax	*6b*	58.67
	(2) Deferred Tax	*6b*	(2.50)
	(3) Adjustment of tax for earlier years	*6b*	(0.56)
	(4) Mat Credit Utilised/ (Entitled) for previous years	*6b*	3.77
	(5) Mat Credit Utilised/(Entitled)	*6b*	10.44
	Total tax expenses		**69.82**
VII	**Profit/(loss) for the year (V-VI)**		**120.66**
VIII	**Other comprehensive income**		
	(1) Items that will not be reclassified to profit or loss		
	Acturial Gain / (Loss)		(2.77)
	(2) Income tax related to items that will not be reclassified to profit or loss		0.80
IX	**Total comprehensive income for the year (VII+VIII)**		**118.69**
X	**Earnings per equity share**	*28*	1,625.95
	- Basic and diluted (in Rs.)		

See accompanying notes forming part of the financial statements

As per our report of even date attached.

For Sukhbir & Associates
Chartered Accountants

For and on behalf of the Board of Directors

S. S. Sahni
(Partner)
Firm Reg. No.: 132961W
Membership No. : 038638

Elizabeth Jacob
Director & CEO
DIN: 00095493

Nagesh Rao
Director & CFO
DIN: 02083552

Place: Mumbai
Date:

Athena BPO Private Limited

Special Purpose Consolidated Statement of Changes in Equity

A Equity share capital **(Rs. In Millions)**

Particulars	Balance as at 01 April 2021	Changes in Equity share capital due to prior period errors	Restated balance as at 01 April 2021	Changes in Equity share capital during the year *(Buyback of shares)*	Balance as at 31 March 2022
Authorized Share Capital					
Equity Shares of Rs.100 each with voting rights					
No. of Shares	1,90,000	-	1,90,000	-	1,90,000
Amount	19.00	-	19.00	-	19.00
Issued, subscribed and fully paid-up shares					
Equity Shares of Rs.100 each with voting rights					
No. of Shares	74,206	-	74,206	-	74,206
Amount	7.42	-	7.42	-	7.42

B Other equity **(Rs. In Millions)**

Sr No	Particulars	Other equity					Total attributable to equity shareholders
		Reserves and surplus				Other comprehensive	
		Retained Earnings	General Reserve	Capital Redemption Reserve	Securities Premium	Actuarial gain/(loss)	
a	**Balance at 1 April 2021**	**296.83**	**2.88**	**8.34**	**214.23**	**-**	**522.28**
	Changes in accounting policy or prior period errors	4.75	-	-	-	(0.27)	4.48
b	**Restated Balance at 1 April 2021**	**301.58**	**2.88**	**8.34**	**214.23**	**(0.27)**	**526.76**
	(i)Profit for the year ended 31 March 2022	120.66	-	-	-	-	120.66
	(ii)Other comprehensive income for the year ended 31 March 2022	-	-	-	-	(1.97)	(1.97)
c	**Total comprehensive income**	120.66	-	-	-	(1.97)	118.69
d	**Transactions with shareholders**	-	-	-	-	-	-
	Buyback of shares	-	-	-	-	-	-
e	**Balance at 31 March 2022**	**422.23**	**2.88**	**8.34**	**214.23**	**(2.24)**	**645.45**

Description of nature and purpose of each reserve

Retained Earnings

Retained earnings are the profits that the Group has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders of the Holding Company.

Capital Redeemption Reserve

As required by the provisions of the Companies Act, capital redemption reserve is created on buyback of shares

General Reserve

The General reserve is used from time to time to transfer profits from retained earnings.

Securities Premium

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

See accompanying notes forming part of the financial statements

As per our report of even date attached.

For Sukhbir & Associates	**For and on behalf of the Board of Directors**	
Chartered Accountants		
S. S. Sahni	**Elizabeth Jacob**	**Nagesh Rao**
(Partner)	**Director & CEO**	**Director & CFO**
Firm Reg. No.: 132961W	DIN: 00095493	DIN: 02083552
Membership No. : 038638		

Place: Mumbai
Date:

Athena BPO Private Limited

Special Purpose Consolidated Cashflow statement

(Rs. In Millions)

Sr No.	Particulars	For the year ended 31 March 2022
A	**Cash flow from operating activities**	
	Net profit before tax	190.47
	Adjustments for:	
	Depreciation & Amortisation	106.97
	(Gain) / loss on sale of fixed asset	0.37
	Interest income from unwinding of security deposit	(2.08)
	Interest income from unwinding of employee loans	(0.04)
	Interest on discounting of Lease Liability	18.24
	Impact on change in discounting rate on lease assets	(0.03)
	Interest income from Fixed Deposits	(13.65)
	Interest on borrowings	0.09
	Provision for employee benefit expenses based on acturial valuation	1.77
	Less: Gratuity Paid	(0.40)
	Operating profit before working capital changes	**301.72**
	Adjustments for working capital:	
	(Increase)/Decrease in trade receivables	(36.48)
	(Increase)/Decrease in other financial assets	(2.41)
	(Increase)/Decrease in other non current assets	0.01
	(Increase)/Decrease in other current assets	(9.03)
	Increase/(Decrease) in trade payables	11.38
	Increase/(Decrease) in other financial liabilities	(0.05)
	Increase/(Decrease) in other current liabilities	10.48
	Cash generated from operations	**275.63**
	Direct taxes (paid)	(44.64)
	Net cash from operating activities	**230.98**
B	**Cash flow from investing activities**	
	Additions to Property plant & equipment, & Intangibles assets	(48.55)
	Sale of Fixed assets	0.24
	(Increase)/Decrease in current investments [Fixed Deposits]	(34.66)
	Interest income from Fixed Deposits	13.65
	Net cash (used in) investing activities	**(69.32)**
C	**Cash flow from financing activities**	
	Repayment of borrowings	(1.08)
	Interest on borrowings	(0.09)
	Security Deposit paid for leasehold premises	(5.70)
	Payment of lease liability	(68.31)
D	**Net cash (used in) financing activities**	**(75.19)**
E	**Net cash flows during the year (A+B+C)**	**86.47**
F	**Reconciliation**	
	Cash and cash equivalents (opening balance)	**79.58**
	Net cash flows during the year	86.47
	Cash and cash equivalents (closing balance) [Refer Note-12(a)]	**166.05**

Athena BPO Private Limited

Special Purpose Consolidated Cashflow statement

(Rs. In Millions)

Sr No.	Particulars	For the year ended 31 March 2022
G	**Components of Cash and Cash Equivalents**	
	Balance with banks	166.01
	- in current account	*146.11*
	- in deposits accounts [Original maturity less than 3 months]	*19.90*
	Cash on hand	0.04
	Total	**166.05**

Notes:

The above cashflow statement has been prepared under 'indirect Method' as set out in the Indian Accounting Standard 7 on Statement on Cash Flows.

See accompanying notes forming part of the financial statements

As per our report of even date attached.

For Sukhbir & Associates
Chartered Accountants

S. S. Sahni
(Partner)
Firm Reg. No.: 132961W
Membership No. : 038638

Place: Mumbai
Date:

For and on behalf of the Board of Directors

Elizabeth Jacob
Director & CEO
DIN: 00095493

Nagesh Rao
Director & CFO
DIN: 02083552

1 Corporate Information

Athena BPO Private Limited (“the Holding Company”) was incorporated on 1 January, 1993. It offers business of providing business process outsourcing (BPO) services.

The holding company has expanded the business of BPO services to the insurance sector by floating a Wholly Owned Subsidiary "Athena Call Centre Services Private Limited" in 2004.

Athena BPO Private Limited and its subsidiary is collectively known as “the Group”

On 23rd December 2022, the then existing shareholders have transferred 57% of the shareholding in the Holding Company to a new investor, Updater Services Limited.

2 Basis of preparation and presentation

a Basis of preparation

These Special Purpose Consolidated Ind AS Financial Statements have been prepared in accordance with the measurement and recognition principles of Indian Accounting Standard (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) after considering the transition date of 1 April 2021. However, these Special Purpose Consolidated Ind AS Financial Statements do not include certain disclosures which would have otherwise been required for General Purpose Consolidated Ind AS Financial Statements. These Special Purpose Consolidated Ind AS Financial Statements omit disclosures such as transition date balance sheet, comparative information and certain other disclosures as envisaged under Ind AS and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III).

As stated in note 1, the Group has been acquired by Updater Services Limited. Updater Services Limited (“Issuer Company”) is in the process of filing the Initial public offering documents with Securities and Exchange Board of India (“SEBI”).

The Special Purpose Consolidated Ind AS Financial Statements of the Group have been prepared for the purpose of preparation of Proforma Financial Statements by the Issuer Company which will be included in Initial public offering documents pursuant to the requirements of Issue of Capital and Disclosure Requirements, 2018 as amended.

These Special Purpose Consolidated Ind AS Financial Statements are not the statutory financial statements of the Group. As a result, these Special Purpose Consolidated Ind AS Financial Statements may not be suitable for any purpose other than those stated above.

b Going Concern & Historic cost convention

These financial statements are prepared on going concern basis in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value and the provisions of the Companies Act, 2013 (‘Act’).

c Functional and Presentation Currency

The financial statements are presented in Indian Rupees (INR), which is the functional currency of the Holding Company. All amounts have been rounded off to the nearest million or decimals thereof. Amount below the rounded off norms have been reflected as “0” in the relevant notes.

d Consistency of Accounting Policy

The accounting policies are applied consistently to all the periods presented in the financial statements, except where a newly issued accounting standard is initially adopted or a revision to an existing standard requires a change in the accounting policy hitherto in use.

e Use of estimates and judgements

The preparation of Special Purpose Consolidated Ind AS Financial Statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods

The areas involving estimates or judgments are as follows:

Property, plant and equipment:

Useful lives of tangible assets are based on the life prescribed in Schedule II of the Act. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

Recognition and measurement of defined benefit obligations:

The obligation arising from the defined benefit plan is determined on the basis of actuarial valuation. Key actuarial assumptions include discount rate, trends in salary escalation and vested future benefits and life expectancy. The discount rate is determined with reference to market yields at the end of the reporting period on the government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post–employment benefit obligations.

Intangible Assets:

Intangible assets majorly consists software licences which are amortised over licence period which equates the economic useful life ranging between 2–5 years on a straight–line basis over the period of its economic useful life.

Recognition of deferred tax assets and income tax:

Deferred tax asset is recognised for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. The management assumes that taxable profits will be available while recognising deferred tax assets.

Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The Group reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the Special Purpose Consolidated Ind AS Financial Statements.

Allowance for uncollected accounts receivable and advances:

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management seems them not collectible. Impairment is made using expected credit loss model.

The impairment provisions for financial assets are based on assumption about risk of default and expected loss rates. Judgement in making these assumption and selecting the inputs to the impairment calculation are based on past history, existing market condition as well as forward looking estimates at the end of each reporting period.

Contingencies:

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Group as it is not possible to predict the outcome of pending matters with accuracy.

Impairment reviews

An impairment exists when the carrying value of an asset or cash generating unit ('CGU') exceeds its recoverable amount. Recoverable amount is the higher of its fair value less costs to sell and its value in use. The value in use calculation is based on a discounted cash flow model. In calculating the value in use, certain assumptions are required to be made in respect of highly uncertain matters, including management's expectations of growth in EBITDA, long term growth rates; and the selection of discount rates to reflect the risks involved.

f Principals of Consolidation

These Special Purpose Consolidated Ind AS Financial Statements comprise the financial statement of the Holding Company and its wholly owned subsidiary. A subsidiary is an entity over which the Group has control. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee),
-Exposure, or rights, to variable returns from its involvement with the investee, and
-The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:
-The contractual arrangement with the other vote holders of the investee.
-Rights arising from other contractual arrangements.
-The Group's voting rights and potential voting rights.
-The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.
The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.
Special Purpose Consolidated Ind AS Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the Special Purpose Consolidated Ind AS Financial Statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the Special Purpose Consolidated Ind AS Financial Statements to ensure conformity with the Group's accounting policies.

Consolidation procedure

(i) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the Special Purpose Consolidated Ind AS Financial Statements from the date on which control commences until the date on which control ceases.

(ii) Non-controlling interests (NCI)

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition.
Non-controlling interests in the net assets (excluding goodwill) of consolidated subsidiaries are identified separately from the Group's equity. NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non- controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if it results in the non–controlling interest having a deficit balance.

(iii) Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in Statement of Profit and Loss.

(iv) Transaction's eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra–group transactions, are eliminated. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

g <u>Classification of Assets and Liabilities into Current/Non-Current</u>

For the purpose of Balance Sheet, an asset is classified as current if:
(i) It is expected to be realised, or is intended to be sold or consumed, in the normal operating cycle; or
(ii) It is held primarily for the purpose of trading; or
(iii) It is expected to realise the asset within twelve months after the reporting period; or
(iv) The asset is a cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
All other assets are classified as non-current.

Similarly, a liability is classified as current if:
(i) It is expected to be settled in the normal operating cycle; or
(ii) It is held primarily for the purpose of trading; or
(iii) It is due to be settled within twelve months after the reporting period; or
(iv) The Group does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could result in its settlement by the issue of equity instruments at the option of the counterparty does not affect this classification.
All other liabilities are classified as non-current.

Operating cycle
An operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the nature of activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Holding Company has determined its operating cycle as **twelve months** for the purpose of classification of its assets and liabilities as current and non–current.

3 Significant accounting policies

a Property, Plant and Equipment (PPE)

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at initial cost less accumulated depreciation and impairment loss, if any.

The initial cost of all other property, plant and equipment comprises of its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use, including relevant borrowing costs and any expected costs of replacement and decommissioning and excludes Cenvat/ Value added tax eligible for credit/setoff.

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

Subsequent expenditure relating to PPE are capitalised only when it is probable that future economic benefits associated with these will flow to the Group and cost of the item can be measured reliably. Repairs and maintenance cost are charged to the Statement of Profit and Loss in the period in which the costs are incurred.

Material items such as spare parts, stand-by equipment and service equipment are classified as PPE when they meet the definition of PPE as specified in Ind AS 16 – Property, Plant and Equipment.

Capital work–in–progress in respect of assets which are not ready for their intended use are carried at cost, comprising of direct costs, related incidental expenses and attributable interest.

Property, plant and equipment are derecognised either on disposal or when the asset retires from active use. Losses arising in the case of the retirement of property, plant and equipment and gains or losses arising from disposal of property, plant and equipment are recognised in the statement of profit and loss in the year of occurrence.

Advances given towards acquisition of property, plant and equipment outstanding at each balance sheet date are disclosed as Capital Advance under Other non– current assets.

Upon first time adoption of Ind AS, the Group has elected to measure all its PPE at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e. 01 April 2021.

b Depreciation

The depreciable amount of an item of Property plant and Equipment is allocated on a systematic basis over its useful life. The Group provides depreciation on straight-line method over the useful lives as prescribed under Schedule II of the Act as per technical assessment. The Holding Company believes that written down value method reflects the pattern in which the asset's future economic benefits are expected to be consumed by the Group. The residual values, useful lives and method of depreciation are reviewed at least at each financial year-end and adjusted prospectively, if appropriate.

Depreciation on additions/ (disposals) are provided on a pro-rata basis i.e. from/ (up to) the date on which the asset is ready to use/ (disposed off).

c Intangible Assets and Amortization

Intangible assets are stated at cost less accumulated amortization and impairment loss if any. Intangible assets are recognised only if it is probable that the expected future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably.

The Holding Company determines the estimated useful life of an identifiable intangible asset on the basis of number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Intangible assets under development which are not ready for their intended use are carried at cost, comprising of direct costs related incidental expenses and attributable interest.

Software is amortised over their estimated useful life on straight line basis from the date they are available for intended use, subject to impairment test

Gains or losses arising from derecognition of an intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the assets is derecognised.

d Impairment of Non-Financial Assets

The Group's non–financial assets other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows (i.e. corporate assets) are grouped together into cash–generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amounts of the assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of assets for which impairment loss has been recognised in prior periods, the Holding Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

e Borrowing Costs

Borrowing costs are interest and other costs incurred by the Group in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of those property, plant and equipment which necessarily take a substantial period of time to get ready for their intended use are capitalised. Other borrowing costs are recognised as an expense in the Statement of Profit and Loss of the period in which they are incurred. Borrowing cost also includes exchange differences to the extent regarded as on adjustment to the borrowing cost.

f Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects current market assessment of time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non -occurrence of one or more uncertain future events not wholly within the control of the Group.

Claims against the Group where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realization of income is virtually certain, then the related asset is not a contingent asset and is recognised.

g Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Income from services

The Group applied Ind AS 115 using the modified retrospective approach.

Revenues from Business Process Outsourcing (BPO) services comprises of time/unit price and fixed fees-based service contracts. Revenue from time/unit price based contract is recognised as services are rendered and is billed in accordance with the contractual terms specified in the customer contracts. Revenue from fixed fees-based service contracts is recognised on achievement of performance milestones specified in customer contracts. The Group collects indirect tax on behalf of the government and, therefore, it is not an economic benefit flowing to the company. Hence, it is excluded from revenue.

Interest

Interest income is recognised with reference to the Effective Interest Rate method. It is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head “other income” in the statement of profit and loss.

Dividend

Dividend from investment is recognised as revenue when right to receive is established.

h Lease

The Group applied Ind AS 116 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application.

The Group’s lease asset classes primarily consist of leases for buildings. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (1) the contract involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognises a right-of-use asset (“ROU”) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the generally accepted interest rate. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognised on the basis of terms and conditions as mutually agreed in the lease agreements

The interest applied for lease liability as at 1st April 2021 is 11%

i Employee Benefit Expense

Short-term Employee Benefits

All employee benefits payable wholly within twelve months of rendering service are classified as short term employee benefits.

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Grouo has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

Defined contribution plans

Contributions to defined contribution plans are recognised as expense when employees have rendered services entitling them to such benefits.

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan (‘the asset ceiling’). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in Other Comprehensive Income. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss.

Gratuity

The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service subject to INR 20 lacs. Vesting occurs upon completion of five years of service. The Group accounts for gratuity benefits payable in future based on an independent external actuarial valuation carried out at the end of the year using the projected unit credit method. Actuarial gains and losses are recognised as Other Comprehensive Income.

j Income Taxes

Income tax comprises of current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates to a business combination or to an item recognised directly in Equity or in Other Comprehensive Income.

Current tax

Current tax comprises expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax is not recognised for temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

k Foreign Currency Transactions

Transactions in foreign currencies are translated into the Holding Company's functional currency at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non–monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are not translated. Foreign currency exchange differences are generally recognised in the statement of profit and loss.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous Financial Statements are recognised in the Consolidated Statement of Profit and Loss in the period in which they arise. When a gain or loss on a non–monetary item is recognised in Other Comprehensive Income, any exchange component of that gain or loss is recognised in Other Comprehensive Income. Conversely, when a gain or loss on a non–monetary item is recognised in Consolidated Statement of Profit and Loss, any exchange component of that gain or loss is recognised in Consolidated Statement of Profit and Loss.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous Financial Statements are recognised in the Consolidated Statement of Profit and Loss in the period in which they arise. When a gain or loss on a non–monetary item is recognised in Other Comprehensive Income, any exchange component of that gain or loss is recognised in Other Comprehensive Income. Conversely, when a gain or loss on a non–monetary item is recognised in Consolidated Statement of Profit and Loss, any exchange component of that gain or loss is recognised in Consolidated Statement of Profit and Loss.

l Earnings Per Share:

The Group calculates earnings per share amounts for profit or loss attributable to ordinary equity shareholders of the Holding Company.

The basic Earnings Per Share ("EPS") is computed by dividing the net profit / (loss) after tax for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, net profit/(loss) after tax for the period attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

m Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial Assets:

Classification:

The Group classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss, on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Initial recognition and measurement:

All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset. Financial assets subsequently measured at fair value through profit or loss are recognised initially at fair value.

Subsequent measurement:

For the purpose of subsequent measurement, financial assets are classified in two broad categories:

- Financial assets at fair value (FVTPL/FVTOCI)
- Financial assets at amortised cost

When assets are measured at fair value, gains and losses are either recognised in the statement of profit and loss (i.e. fair value through profit or loss (FVTPL)), or recognised in other comprehensive income (i.e. fair value through other comprehensive income (FVTOCI)).

Financial Assets measured at amortised cost (net of write down for impairment, if any):
Financial assets are measured at amortised cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method less impairment, if any. The losses arising from impairment are recognised in the Statement of profit and loss.

Financial Assets measured at Fair Value through Other comprehensive Income ("FVTOCI"):
Financial assets under this category are measured initially as well as at each reporting date at fair value, when asset is held within a business model, whose objective is to hold assets for both collecting contractual cash flows and selling financial assets. Fair value movements are recognised in the other comprehensive income.

Financial Assets measured at Fair Value through Profit or Loss ("FVTPL"):
Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognised in profit or loss.

Investment in Equity Instruments:
Equity instruments which are held for trading are classified as at FVTPL. Fair value changes on the instrument, excluding dividends, are recognised in profit or loss.

Investment in Debt Instruments:
A debt instrument is measured at amortised cost or at FVTOCI. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of profit and loss.

Derecognition of Financial Assets:
A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset.

Impairment of Financial Assets:
In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are debt instruments and trade receivables.

(ii) Financial Liabilities:
Classification:
The Group classifies all financial liabilities as subsequently measured at amortised cost or FVTPL.

Initial recognition and measurement:
All financial liabilities are recognised initially at fair value and, in the case of loans, borrowings and payables, net of directly attributable transaction costs.
Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

Subsequent measurement:
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Interest–bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Derecognition of Financial Liabilities:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Off setting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Equity Instrument

Equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities and includes no obligation to deliver cash or other financial assets

Measurement of fair values

The Holding Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Holding Company has an established control framework with respect to the measurement of fair values. The Holding Comany regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the Holding Company assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

n Cash and cash equivalents

Cash and Cash Equivalents comprise of cash on hand and cash at bank including fixed deposit/highly liquid investments with original maturity period of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short–term deposits, as defined above, as they are considered an integral part of the Holding Company's cash management.

o Cash Flow Statement

The above cashflow statement has been prepared under 'indirect Method' as set out in in the Indian Accounting Standard 7 on Statement on Cash Flows whereby net profit before tax is adjusted for the effects of transactions of a non–cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flow from operating, investing and financing activities of the Group are segregated.

p Dividend to Shareholders

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividends are approved by the shareholders of the Holding Company. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable is recognised directly in equity.

q Tax on buy-back

Tax on buy-back of share by the Holding Company is calculated at the rate of twenty per cent (plus surcharge at the rate of twelve per cent and cess as applicable) on the distributed amount in excess of the amount received by a company at the time of subscription in respect of such shares from all the shareholders ("Distributed income"). As per the working prepared by the Holding Company, the tax on buyback on shares is Nil for the relevant years.

Athena BPO Private Limited

Notes to the Special Purpose Consolidated Ind AS Financial Statements

(Rs. In Millions)

7 Income tax assets (net)

Particulars	As at 31 March 2022
Advance taxes and tax deducted at source	13.41
Less: Provision for Tax	(12.87)
Total	**0.54**

8 Trade Receivables

Particulars	As at 31 March 2022
Unsecured Trade Receivables	
Trade receivables considered good	193.60
Trade receivables which have significant increase in credit risk	-
Trade receivables credit impaired	-
Less : Loss Allowance	-
Total	**193.60**

8a Trade Receivables ageing schedule as at 31 March 2022

Sr No.	Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment					
				< 6 months	6 months - 1 year	1- 2 Years	2-3 years	More than 3 years	Total
(i)	Undisputed Trade receivables - Considered good	105.67	-	87.93	-	-	-	-	**193.60**
(ii)	Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii)	Undisputed Trade Receivables - Credit impaired	-	-	-	-	-	-	-	-
(iv)	Disputed Trade Receivables - Considered good	-	-	-	-	-	-	-	-
(v)	Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi)	Disputed Trade Receivables - Credit impaired	-	-	-	-	-	-	-	-
	Total	**105.67**	**-**	**87.93**	**-**	**-**	**-**	**-**	**193.60**
Less: Loss Allowance		-	-	-	-	-	-	-	-
	Total	**105.67**	**-**	**87.93**	**-**	**-**	**-**	**-**	**193.60**

9a Cash and Cash equivalents

Particulars	As at 31 March 2022
Balance with banks :	
- in current account	146.11
- in deposits accounts	
[Original maturity less than 3 months]	19.90
Cash on hand	0.04
Total	**166.05**

9b Bank balances other than those disclosed in Note 10a above

Particulars	As at 31 March 2022
Fixed Deposit	
[Original maturity with more than 3 months and maturing within 12 months from reporting	267.06
Total	**267.06**

(Rs. In Millions)

10 Other current financial assets

Particulars	As at 31 March 2022
Accrued Interest On Fixed Deposit	8.41
Loan to employees	0.17
Advance to employees	0.24
Total	**8.83**

11 Other current assets

Particulars	As at 31 March 2022
GST Input Tax Credit Receivable	0.21
Prepaid Expenses	1.41
Advance to Vendors	11.80
Total	**13.42**

12 Equity share Capital

12a Share Capital

Particulars	As at 31 March 2022
Authorised	
Equity Shares of Rs. 100 each	19.00
	19.00
Issued, Subscribed and fully paid-up	
Equity Shares of Rs. 100 each	7.42
Total	**7.42**

12b Movement in equity share capital

Particulars	Number of shares	(Rs. In Millions)
Equity shares outstanding at the beginning of the year	74,206	7.42
Add: Equity shares allotted during the year	-	-
Less: Equity shares extinguished on buybackof shares	-	-
Equity Shares outstanding at the end of the year	74,206	7.42

12c Details of Shares in the holding company held by Promoters as at 31 March 2022

Sr No	Promoters Name	No of Shares	% of total Shares	% change during the year
1	Mrs.Elizabeth Jacob	60,940	82.12%	0.00%
2	Mr. Isaac Cherian Jacob	1	0%	0.00%

12d Terms / Rights attached to each classes of shares

The holding company has only one class of equity shares having par value of Rs.100 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees.

No dividend has been proposed by the Board of Directors during the year ended 31st March 2022.

In the event of liquidation of the holding company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Athena BPO Private Limited

Notes to the Special Purpose Consolidated Ind AS Financial Statements

(Rs. In Millions)

12e Details of shareholders holding more than 5% shares

Sr No.	Name of Shareholder	As at 31 March 2022	
		No. of Shares held	% of Holding
1	Mrs.Elizabeth Jacob	60,940	82.12%
2	Mr.V Swaminathan	9,638	12.99%

12f Significant subsequent event

On 23rd December 2022, the then existing shareholders have transferred their shares to a new investor and the revised shareholding as at 23rd December 2022 is as under:

Name of Shareholder	No. of Shares held	% of Holding
Updater Services Limited	32,824	57%
Mrs.Elizabeth Jacob	24,760	43%

Further, Mrs. Elizabeth Jacob has agreed to sell her entire stake in the Company to Updater Services Limited in future.

13 Other Equity

Particulars	As at 31 March 2022
Securities Premium	214.23
General reserve	2.88
Capital Redemption Reserve	8.34
Retained Earnings	422.23
Other Comprehensive Income	(2.24)
Total	**645.45**

14 Lease Liabilities - Non Current

Particulars	As at 31 March 2022
Lease Liability	162.25
Total	**162.25**

15 Long term Borrowings

Particulars	As at 31 March 2022
Secured	
Vehicle loan from bank	0.57
Less: Current maturities of long term borrowings	(0.57)
Total	-

16 Non-current Provisions

Particulars	As at 31 March 2022
Employee benefits	
Grautity	8.82
Total	**8.82**

17 Short term Borrowings

Particulars	As at 31 March 2022
Current maturities of long-term borrowings	
- Vehicle loan from bank	0.57
Total	**0.57**

(Rs. In Millions)

18 Lease liabilities - Current

Particulars	As at 31 March 2022
Lease Liability	73.84
Total	**73.84**

19 Trade Payables

Particulars	As at 31 March 2022
a) total outstanding dues of micro and small enterprises	1.26
b) total outstanding dues of creditors other than micro and small enterprises	
(i) Payable to parties	9.08
(ii) Accrued employee benefits	69.92
	78.99
Total	**80.26**

19a Trade Payables ageing schedule as at 31 March 2022

Sr No.	Particulars	Unbilled	Not Due	Outstanding for following periods from due date of				
				< 1 year	1- 2 Years	2-3 years	More than 3 years	Total
(i)	MSME	0.54	-	0.72	-	-	-	**1.26**
(ii)	Others	7.43	-	71.54	-	-	0.03	**78.99**
(iii)	Disputed Dues - MSME	-	-	-	-	-	-	-
(iv)	Disputed Dues - Others	-	-	-	-	-	-	-
	Total	**7.97**	**-**	**72.26**	**-**	**-**	**0.03**	**80.26**

This information has been determined to the extent such parties have been identified on the basis of information available with the Holding Company.

Sr No.	Particulars	As at 31 March 2022
(i)	The principle amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	
	Principle amount due to micro and small enterprises	1.26
	Interest due on above	-
(ii)	The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-
(iii)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act 2006.	-
	Principle amount due to micro and small enterprises	-
	Interest due on above	-
(iv)	The amount of interest accrued and remaining unpaid at the end of each accounting year.	-
(v)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of Micro, Small and Medium Enterprises Development Act 2006.	-

20 Other Current Liabilities

Particulars	As at 31 March 2022
Statutory Dues Payable	37.76
Total	**37.76**

(Rs. In Millions)

21 Income tax liability (net)

Particulars	As at 31 March 2022
Provision for tax	873.60
Less: Advance tax and tax deducted at source	(859.75)
Total	**13.85**

22 Short Term Provisions

Particulars	As at 31 March 2022
Employee benefit	
Gratuity	5.07
Total	**5.07**

(Rs. In Millions)

4a Property, plant and equipment

Following are the changes in the carrying value of property, plant and equipment for the year ended 31 March 2022

Particulars	Gross carrying value (at deemed cost)				Accumulated depreciation				Net carrying amount
	Balance as at 1 April 2021	Additions	Deletions/ Discarded/ Adjustments	Balance as at 31 March 2022	Balance as at 1 April 2021	Charge for the year	Deletions	Balance as at 31 March 2022	Balance as at 31 March 2022
Buildings	1.50	-	-	1.50	-	0.16	-	0.16	1.34
Plant and equipment	17.24	1.99	0.05	19.19	-	3.05	0.00	3.04	16.14
Furniture and fixtures	8.36	1.21	0.09	9.48	-	1.11	0.00	1.10	8.38
Vehicles	10.78	-	-	10.78	-	2.50	-	2.50	8.29
Computers	45.63	27.93	0.56	72.99	-	26.16	0.07	26.09	46.90
Data and voice processing equipment	4.36	2.46	-	6.81	-	2.28	-	2.28	4.53
Lease hold improvements	10.21	10.93	-	21.14	-	5.83	-	5.83	15.31
Total	**98.08**	**44.52**	**0.70**	**141.90**	**-**	**41.08**	**0.08**	**41.00**	**100.89**

4b Intangible assets

Following are the changes in the carrying value of Intangible assets for the year ended 31 March 2022

Description	Gross carrying value (at deemed cost)				Accumulated amortisation				Net carrying amount
	Balance as at 1 April 2021	Additions	Deletions/ Discarded/ Adjustments	Balance as at 31 March 2022	Balance as at 1 April 2021	Charge for the year	Deletions	Balance as at 31 March 2022	Balance as at 31 March 2022
Computer software	6.79	4.03	-	10.82	-	2.14	-	2.14	8.68
Total	**6.79**	**4.03**	**-**	**10.82**	**-**	**2.14**	**-**	**2.14**	**8.68**

4c Right of Use Assets

Following are the changes in the carrying value of Intangible assets for the year ended 31 March 2022

Description	Gross carrying value (at deemed cost)				Accumulated amortisation				Net carrying amount
	Balance as at 1 April 2021	Additions	Deletions/ Discarded/ Adjustments	Balance as at 31 March 2022	Balance as at 1 April 2021	Charge for the year	Deletions	Balance as at 31 March 2022	Balance as at 31 March 2022
Building	87.68	209.44	0.88	296.25	-	63.75	-	63.75	232.49
Total	87.68	209.44	0.88	296.25	-	63.75	-	63.75	232.49

(Rs. In Millions)

Summary of Depreciation and Amortisation Expenses	
Particulars	**As at**
	31 March 2022
On Property Plant and Equipment	41.08
On Intangible Assets	2.14
On Right of Use Assets	63.75
Depreciation and Amortization Expenses as per Profit and Loss	106.97

5 Other non current Financial assets

Particulars	**As at 31 March 2022**
Security deposits - Premises and other deposits	
- Considered good	26.89
- Considered doubtful	1.56
Less: Provision for expected credit loss on doubtful advances	(1.56)
Loan to employees	0.16
Total	**27.05**

(Rs. In Millions)

23 Revenue from operations

Particulars	For the year ended 31 March 2022
Sale of services (Business Process Outsourcing services)	1,143.67
Total	**1,143.67**

24 Other income

Particulars	For the year ended 31 March 2022
Interest Income	
-Interest From bank deposit	13.65
-Interest From income tax refund	0.69
-Interest on unwinding of discount on security deposits & employee loans	2.13
-Others	0.11
Total	**16.58**

25 Employee benefits expense

Particulars	For the year ended 31 March 2022
Salaries and related costs	662.76
Contributions to Provident and Other Funds	55.65
Provision for Gratuity	1.77
Staff welfare expenses	4.70
Total	**724.88**

26 Finance costs

Particulars	For the year ended 31 March 2022
Interest expense on:	
-Borrowings	0.09
liabilities	0.63
-Lease Liability	18.24
Total	**18.97**

27 Other expenses

Particulars	For the year ended 31 March 2022
Electricity expenses	30.50
Rent expenses	1.00
Repairs and maintenance - others	13.43
CAM for Office premises	0.77
Communication expenses	27.38
Insurance	1.64
Rates and taxes	0.03
Conveyance expenses	1.29
Travelling expenses	0.08
Sales promotion	1.78
Office expenses	0.40
Hiring charges	8.99
Payment to auditors	0.40

(Rs. In Millions)

27 Other expenses (Continued)

Particulars	For the year ended 31 March 2022
Legal and professional charges	10.88
Printing and stationery expenses	1.23
House keeping expenses	6.85
Security expenses	9.28
Loss on Sale of property, plant and equipment	0.37
CSR Expenditure	2.37
Miscellaneous expenses	0.28
Total	**118.95**

Payment to the auditors (excluding taxes)	For the year ended 31 March 2022
Statutory Audit	0.40
Total	**0.40**

28 Earnings per share

The Company's Earnings per Share ("EPS") is determined based on the net profit attributable to the shareholders' of the Holding Company. Basic earnings per share is computed using the weighted average number of shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the year including share options, except where the result would be anti-dilutive.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	For the year ended 31 March 2022
Profit attributable to equity holders of the Holding company (Rs. In Millions):	120.66
Weighted average number of Equity shares for basic EPS	74,206
Nominal Value	100.00
Earnings per equity share Basic and Diluted (in Rs.)	**1,625.95**

(Rs. In Millions)

6 Income Taxes

6a Deferred Tax (Net)

Particulars	As at 31 March 2022
Deferred tax assets / (liabilities) :	
Discounting of employee loans	0.01
ROU Asset	(67.26)
Lease Liability	68.29
Property plant and equipment	7.16
Provision for employee Benefit	4.03
Disallowance u/s 40(a) (Rent deposited with prothonotary)	1.04
Provision for Staff incentive disallowed u/s 43B	1.09
Security Deposit	2.30
Total	**16.67**

Movement in Deferred tax assets / liabilities:

Particulars	1 April 2021	Recognised in Statement of Profit & Loss Account (Income / Expense)	Recognised in OCI (Income / Expense)	31 March 2022
Deferred tax assets/ (liabilities) :				
Discounting of employee loans	0.03	(0.01)	-	0.01
ROU Asset	(24.74)	(42.51)	-	(67.26)
Lease Liability	23.91	44.38	-	68.29
Property plant and equipment	9.40	(2.25)	-	7.16
Provision for employee Benefit	2.83	0.40	(0.80)	4.03
Disallowance u/s 40(a) (Rent deposited with prothonotary)	0.70	0.34	-	1.04
u/s 43B	0.41	0.68	-	1.09
Security Deposit	0.83	1.47	-	2.30
Deferred tax assets	**13.36**	**2.50**	**(0.80)**	**16.67**

Athena BPO Private Limited

Notes to the Special Purpose Consolidated Ind AS Financial Statements

(Rs. In Millions)

6 Income Taxes

6b Tax Reconciliation

	Particulars	For the year ended 31 March 2022
a	**Profit before tax**	**190.47**
	Tax at Indian tax rate of 29.120%	55.47
b	**Tax effect of amounts which are not deductible/taxable/additionally deductible in calculating taxable income**	**3.74**
	Disallowance under ICDS	
	Interest expense on unwinding of Lease liability	18.24
	Discounting employee loans at IRR	0.01
	Loss on sale of property plant & equipment	0.37
	Interest on delayed payment of TDS disallowed in computation	0.63
	Disallowance u/s 36(i)(va)	0.15
	Disallowance u/s 43B	3.88
	Disallowance u/s 40(a) (Rent deposited with prothonotary)	1.17
	Disallowance u/s 40A(7) [Net]	1.37
	Disallowance u/s 37 - CSR Expenditure	2.37
	Depreciation as per Profit and loss account disallowed u/s 32	106.97
	Revenue expenses capitalized in books (leasehold improvements)	(10.93)
	Allowance under 43B (Incentive reversed during the year)	(0.73)
	Allowance under ICDS	
	Interest expense on unwinding of discount on security deposit & employee loan	(2.13)
	Allowance of actual rent paid	(68.31)
	Impact of lease modification under Ind AS 116	(0.03)
	Depreciation as Income Tax Act allowed u/s 32	(40.19)
c	Profits of subsidairy taxable at lower rate of 25.168% for all years	(0.54)
d	Deferred Tax recognised in Profit and Loss Account	(2.50)
	Taxes of Previous Years [Refer note below]	(0.56)
	MAT Credit (entitlement) / utilised for previous years	3.77
	Excess current tax provision made on conservative basis [Refer note below]	10.44
	Income tax expenses	**69.82**

(Rs. In Millions)

29 Employee benefits

A) Defined contribution plan

In respect of the defined contribution plans, an amount of Rs. 55.652 Millions for the year ended 31st March 2022 has been recognised as an expense in the Statement of Profit and Loss.

B) Defined benefit plan

Table Showing Change in the Present Value of Projected Benefit Obligation	**As at 31 March 2022**
Present Value of Benefit Obligation at the Beginning of the Year	9.74
Current Service Cost	1.42
Interest Cost	0.35
Actual Plan Participants' Contributions	-
Actuarial (Gains)/Losses on Obligations	2.77
Acquisition/Business Combination/Divestiture	-
Actual Benefits Paid	(0.40)
Past Service Cost	-
Changes in Foreign Currency Exchange Rates	-
Loss / (Gains) on Curtailments	-
Liabilities Extinguished on Settlements	-
Present Value of Benefit Obligation at the End of the Year	**13.88**

Table Showing Change in the Fair Value of Plan Assets	**As at 31 March 2022**
Fair Value of Plan Assets at the Beginning of the Year	-
Interest Income Plan Asset	-
Actual Enterprise's Contributions	-
Actual Plan Participants' Contributions	-
Actual Benefits Paid	-
Actuarial Gains/(Losses)	-
Acquisition/Business Combination/Divestiture	-
Changes in Foreign Currency Exchange Rates	-
Liabilities Extinguished on Settlements	-
Fair Value of Plan Assets at the End of the Year	**-**

Amount Recognized in the Balance Sheet	**As at 31 March 2022**
(Present Value of Benefit Obligation at the end of the Year)	13.88
Fair Value of Plan Assets at the end of the Year	-
Funded Status (Surplus/ (Deficit))	**13.88**
Net (Liability)/Asset Recognized in the Balance Sheet	**13.88**

Expenses Recognized in the Statement of Profit or Loss for Current year	**For the year ended 31 March 2022**
Current Service Cost	1.42
Interest Cost	0.35
Expenses Recognized	**1.77**

(Rs. In Millions)

29 Employee benefits

Expenses Recognized in the Other Comprehensive Income (OCI) for Current year	**For the year ended 31 March 2022**
Amount recognized in OCI, Beginning of Year	1.42
Remeasurements due to :	
Effect of Change in financial assumptions [C]	(0.17)
Effect of Change in demographic assumptions [D]	0.14
Effect of experience adjustments [E]	2.80
Actuarial (Gains)/Losses [C+D+E]	2.77
Return on plan assets (excluding interest)	-
Total remeasurements recognized in OCI	2.77
Amount recognized in OCI, End of the Year	**4.18**

Category of Assets	**As at 31 March 2022**
Govt. of India Securities (Central and State)	0.00%
High quality corporate bonds (incl PSU Bonds)	0.00%
Equity shares of listed companies	0.00%
Real Estate / Property	0.00%
Cash (including Special Deposits)	0.00%
Other (including assets under Schemes of Ins.)	0.00%
Total	**0.00%**

Para 139 (a) Characteristics of defined benefit plan
The Group does not has a defined benefit gratuity plan.

Para 139 (b) Risks associated with defined benefit plan
Gratuity is a defined benefit plan and company is exposed to the Following Risks:
Interest rate risk: A fall in the discount rate which is linked to the Government security's rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.
Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.
Investment Risk: The Group has not invested in defined benefit plan to cover the gratuity liability.

Parituculars	**As at 31 March 2022**
Rate of Discounting	4.75%
Rate of Salary Increase	3.00%
Expected Return on Plan Assets	0.00%

Sensitivity Analysis	**As at 31 March 2022**
Projected Benefit Obligation on Current Assumptions	13.88
Delta Effect of + 0.50% Change in Rate of Discounting	13.65
	-1.64%
Delta Effect of -0.50% Change in Rate of Discounting	14.12
	1.72%
Delta Effect of + 0.50% Change in Rate of Salary Growth Rate	14.10
	1.61%
Delta Effect of - 0.50% Change in Rate of Salary Growth Rate	13.66
	-1.54%

(Rs. In Millions)

29 Employee benefits

Particulars	As at 31 March 2022
Weighted Average Duration of the Projected Benefit Obligation (In Years)	1.81
Expected cash flows	
1. Prescribed Contribution For Next Year (12 Months)	-
2. Expected benefits payments	
1st Following Year	5.06
2nd Following Year	3.66
3rd Following Year	1.28
4th Following Year	0.87
5th Following Year	0.69
Sum of Years 6 To 10	2.07

Current / Non Current Benefit Obligation	As at 31 March 2022
Current Liability	5.25
Non Current Liability	8.63
Total	**13.88**

30 Related party disclosure

(A) List of Related Parties where control exists:

Name of Related Parties	Nature of Relationship
Elizabeth Jacob	Shareholder of the Holding Company
Harish Pandeya	Shareholder of the Holding Company
V Swaminathan	Shareholder of the Holding Company

(B) List of Key Management Personnel:

Name	Nature of Relationship
Elizabeth Jacob	Director & Chief Executive Officer of the Group
Nagesh Rao	Director & Chief Financial Officer of the Group
Isaac Jacob	Director of the Holding Company

(C) The following transactions were carried out with the related parties in the ordinary course of business:

(Rs. In Millions)

Particulars	For the year ended 31 March 2022
Isaac Jacob (Key Managerial Personnel)	
-Professional fees paid	0.90
Elizabeth Jacob	
- Managerial remuneration	28.10
Nagesh Rao	
- Managerial remuneration	13.49

(D) Oustanding balance with related parties are as follows:

(Rs. In Millions)

Particulars	As at 31 March 2022
Elizabeth Jacob (Key Managerial Personnel)	
-Payables	7.30
Nagesh Rao (Key Managerial Personnel)	
-Payables	1.33

(Rs. In Millions)

31 Financial instruments disclosure

(A) Fair value hierarchy

The fair value of a financial instrument is the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction, other than in a forced or liquidation sale.

(i) Financial instruments that are carried at fair value

Fair value hierarchy

The Group classifies fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

• Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

• Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

• Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

There has been no transfer between Level 1 and Level 2 during the periods reported under.

(B) Financial assets and financial liabilities measured at fair value – recurring fair value measurements

Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2022

Particulars	Carrying value				Fair Value			
	Fair value through Profit and Loss	Amortised cost	Deemed cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Trade receivables	-	193.60	-	193.60	NA	NA	NA	193.60
Cash and cash equivalents	-	166.05	-	166.05	NA	NA	NA	166.05
Bank balances other than above	-	267.06	-	267.06	NA	NA	NA	267.06
Other financial assets	-	35.87	-	35.87	NA	NA	NA	35.87
Total	**-**	**662.59**	**-**	**662.59**	**-**	**-**	**-**	**662.59**
Financial liabilities								
Borrowings	-	0.57	-	0.57	NA	NA	NA	0.57
Trade payables	-	80.26	-	80.26	NA	NA	NA	80.26
Lease liabilities	-	236.09	-	236.09	NA	NA	NA	236.09
Other financials liabilties	-	-	-	-	NA	NA	NA	-
Total	**-**	**316.92**	**-**	**316.92**	**-**	**-**	**-**	**316.92**

(ii) Financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The carrying amounts of cash and cash equivalents, pledged fixed deposits, trade and other receivables, current trade and other payables, current interest bearing loans and borrowings based on their notional amounts, reasonably approximate their fair values because of their short term maturity.

32 Financial Risk Management Objectives and Policies

The Group's principal financial liabilities comprise of trade payables. The main purpose of these financial liabilities is to finance and support the Company's operations. The Company's principal financial assets include Investments, Loans and Other receivables, Cash and Cash Equivalents, Other Bank Balances that are directly derived from its operations.

The Group is exposed to Currency Risk, Credit Risk and Liquidity Risk. The Holding Company's senior management oversees the management of these risks and ensures that the Group's financial risk activities are governed by appropriate policies and procedures. Financial risks are identified, measured and managed in accordance with the Holding Company's policies and risk objectives.

(A) Market Risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument.

The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, receivables, payables and loans given.

(B) Currency Risk

Foreign currency risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Group does not have a material exposure to the risk of changes in foreign exchange rates.

(C) Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks, loan to subsidiary and other financial instruments.

Customer credit risk is managed subject to the Holding Company's established policy, procedures and control relating to the customer credit risk management. The Holding Company uses financial information and past experience to evaluate credit quality of majority of its customers and individual credit limits are defined in accordance with this assessment. Outstanding receivables and the credit worthiness of its counterparties are periodically monitored and taken up on case to case basis. The Holding Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions representing large number of minor receivables operating in independent markets.

The credit risk on cash and bank balances is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

(D) Liquidity Risk

The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve funding facilities, continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. The table below details out the maturity profile of Group's financial liabilities at each of the reporting periods.

As at 31 March 2022 **(Rs. In Millions)**

Particulars	Carrying Amount	Payable on demand	Upto 1 year	More than 1 year	Total contractual cashflows
Borrowings	0.57	-	0.57	-	0.57
Lease Liabilities	73.84	-	73.84	162.25	236.09
Trade payables	80.26	-	80.26	-	80.26
Total	**154.67**	**-**	**154.67**	**162.25**	**316.92**

33 Capital Management

(A) Risk Managment

The Holding Company's capital management objective is to maximise the total shareholder return by optimising cost of capital through flexible capital structure that supports growth. Further, the Holding Company ensures optimal credit risk profile to maintain/enhance credit rating.

The Holding Company determines the amount of capital required on the basis of annual operating plan and long-term strategic plans. The Holding Company monitors the capital structure on the basis of Net debt to equity ratio and maturity profile of the overall debt portfolio of the Group.

For the purpose of capital management, capital includes issued equity capital, securities premium and all other reserves. Net debt includes all long and short-term borrowings including lease liability as reduced by cash and cash equivalents.

The following table summarises the capital of the

(Rs. In Millions)

Particulars	As at 31 March 2022
Equity	**652.87**
Lease Liabilities	236.09
Borrowings	0.57
Cash & cash equivalents	166.05
Net debt	**402.72**
Net debt to capital ratio	**0.62**

34 Corporate Social Responsibility

The provisions pertaining to Corporate Social Responsibility as prescribed under the Companies Act, 2013 are applicable to the Holding Company.

(a) Expenses incurred on Corporate Social Responsibility (CSR) programs under Section 135 of the 2013 Act are charged to the Statement of Profit and Loss.

(Rs. In Millions)

Particulars	Total	FY 2021-22	Prior to 01.04.2021
(i) Gross amount required to be spent as per section 135 of Companies Act 2013	6.82	2.39	4.43
(ii) Contributed & Spent during the year	6.82	2.37	4.45
Shortfall of expenditure / (Excess Spent) (i-ii)	(0.00)	0.02	(0.02)
Nature of CSR Activities	i) Promoting education ii) Eradicating Hunger, Poverty, and malnutrition iii) Rural and Slum developments .		

(b) Movement of provision

(Rs. In Millions)

Particulars	FY 2021-22
Opening	-
Add: Additional provision	-
Less: Amount Spent	-
Closing	-

(Rs. In Millions)

35 Ind AS 116 Leases

Disclosure for operating leases under Ind AS 116 - "Leases":

The Group have taken various premises under operating lease. These are generally cancellable after the mutually agreed lock-in period and ranges from 3 years to 5 years and are renewable by mutual consent on mutually agreeable terms. These lease agreements have price escalation clauses. There are no restrictions imposed by these lease arrangements and there are no sub leases. There are no contingent rents.

Transition

Effective 1 April 2021, the Group adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 1 April 2021 using the modified retrospective method and has considered all leases are starting from 1 April 2021,thereby not altering retained earnings, on the date of initial application.

Consequently, the Group recorded the lease liability at the present value of the lease payments discounted at the generally accepted interest rate and the right of use asset at its present value as if the standard had been applied from

The interest rate applied to lease liabilities as at 1 April 2021 is 11%.

Right-of-use assets

Following are the changes in the carrying value of Right Of Use assets for the year ended 31 March 2022

Particulars	Buildings	Land	Total
Cost			
Balance as at 1 April 2021	87.68	-	87.68
Additions	209.44	-	209.44
Disposals	(0.88)	-	(0.88)
Balance as at 31 March 2022	**296.25**	**-**	**296.25**
Accumulated depreciation and impairment			
Balance as at 1 April 2021	-	-	-
Depreciation	63.75	-	63.75
Impairment loss	-	-	-
Eliminated on disposals of assets	-	-	-
Balance as at 31 March 2022	**63.75**	**-**	**63.75**

Carrying amounts	Buildings	Land	Total
Balance as at 1 April 2021	87.68	-	87.68
Balance as at 31 March 2022	**232.49**	**-**	**232.49**

Breakdown of lease expenses

Particulars	As at 31 March 2022
Short-term and low value lease expense	1.00
Total lease expense	**1.00**

Cash outflow on leases	As at 31 March 2022
Repayment of lease liabilities	68.31

Maturity analysis

Particulars	Less than1 year	Over 1 year	Weighted average effective interest rate %
As at 31 March 2022			
Lease liabilities	73.84	162.25	11.00%

Athena BPO Private Limited

Notes to the Special Purpose Consolidated Ind AS Financial Statements

36 Ratio Analysis

Sr No	Ratios	Units	Numerator	Denomenator	31 March 2022
1	Current ratio	in times	Current Assets	Current Liabilities	3.07
2	Debt Equity Ratio	in times	Total Debt *(Vehicle Loan + Lease Liability)*	Shareholders fund	0.36
3	Debt Service coverage ratio	in times	Earning for Debt Service *(Net Profit before taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets)*	Debt Service *(Fixed Interest + Lease Payments + Long Term Loan Principal Repayments)*	4.56
4	Return on Equity Ratio	in %	Net Profit after Taxes	Average Shareholder's Equity	20.33%
6	Trade receivable turnover ratio	in times	Revenue from Operations	Average Trade Receivable	6.52
7	Trade payable turnover ratio	in times	Total operating expense *(Employee benefit expenses + Other Expenses)*	Average Accounts payable	11.32
8	Net capital turnover ratio	in times	Revenue from Operations	Average Working capital *(Current Assets - Current liabilities)*	3.30
9	Net profit Ratio	in %	Profit after Tax	Revenue from Operations	10.55%
10	Return on capital employed	in %	Earning before interest and taxes	Capital Employed *(Tangible Net Worth + Total Debt + Deferred Tax Liability)*	33.16%

37 Interests in other entities
A Subsidiaries

(i) The Holding Company's subsidiary at 31st March 2022 is set out below.

a	**Name of the entity**	Athena Call Centre Services Private Limited
b	**Place of business or country of incorporation**	India
c	**Principal activities**	Business Process Outsourcing (BPO)

d **Ownership details are as under:**

Particulars	As at 31 March 2022 %
Ownership interest held by the group	100*
Ownership interest held by minority	0

*Out of the above, one share is held by Mrs.Elizabeth Jacob as a Nominee of Athena BPO Private Limited.
Unless otherwise stated they have share capital consisting solely of equity shares that are held directly by the group and the proportion of ownership interests held equals the voting rights held by the group. The Country of incorporation or registration is also their principal place of business.

(ii) Shareholding in Athena Call Centre Services Private Limited since date of control **(Rs. In Millions)**

Particulars	FY 2004-05 Till date
1,00,000* equity shares of Rs.10/- each	1.00
Shareholding by Holding Company	100%

*Out of the above, one share is held by Mrs.Elizabeth Jacob as a Nominee of Athena BPO Private Limited.

B Non-controlling interests (NCI)
There are no subsidiaries which has non-controlling interest

Athena BPO Private Limited

Notes to the Special Purpose Consolidated Ind AS Financial Statements

(Rs. In Millions)

38 Disclosure mandated by Schedule III by way of additional information

(A) Net Assets, i.e., total assets minus total liabilities (Equity + other equity)

Name of the entity in the	As at 31 March 2022	
	As % of consolidated net assets	Amount
Holding Company: Athena BPO Private Ltd	94.74%	618.51
Subsidiaries: Athena Call Center Private Ltd	5.42%	35.35
Adjustments on consolidation	-0.15%	(1.00)
Total		**652.87**

(B) Share in profit or loss

Name of the entity in the	For the year ended 31 March 2022	
	As % of consolidated Other Comprehensive Income	Amount
Holding Company: Athena BPO Private Ltd	93.16%	112.41
Subsidiaries: Athena Call Center Private Ltd	6.84%	8.25
Adjustments on consolidation	0.00%	-
Total		**120.66**

(C) Share in other comprehensive income

Name of the entity in the	For the year ended 31 March 2022	
	As % of consolidated Other Comprehensive Income	Amount
Holding Company: Athena BPO Private Ltd	95.03%	(1.87)
Subsidiaries: Athena Call Center Private Ltd	4.97%	(0.10)
Adjustments on consolidation	0.00%	-
Total		**(1.97)**

(D) Share in total comprehensive income

Name of the entity in the	For the year ended 31 March 2022	
	As % of consolidated Other Comprehensive Income	Amount
Parent: Athena BPO Private Ltd	93.13%	110.54
Subsidiaries: Athena Call Center Private Ltd	6.87%	8.15
Adjustments on consolidation	0.00%	-
Total		**118.69**

39 Segment reporting

A Basis for segmentation

The operations of the Group are limited to one segment viz. providing Business Process Outsourcing services in India.

The Chief Operating Decision Maker (CODM) reviews the internal management reports prepared based on agregation of financial information of all entities in the Group (adjusted for intercompany eliminations, adjustments, etc) on periodic basis to make decisions about the resources to be allocated and to assess the performance.

B Information about products and services

The Group provides a single service viz. Business Process Outsourcing services and hence, this reporting is not applicable.

C Information about geographical areas

The Group operates only in India and hence, this reporting is not applicable.

D Revenue from Major Customers

Following are the details with respect to the major customers where revenue from each such customer is greater than 10% of the total revenue of the Group.

For the year ended 31st March 2022 **(Rs. In Millions)**

Sr. No.	Total amount of revenues from each such customer	Segment	Contribution to Revenue
1	416.03	BPO Services	36.38%
2	150.03	BPO Services	13.12%
3	144.71	BPO Services	12.65%
4	113.75	BPO Services	9.95%
	824.52		**72.09%**

40 Expenditure in foreign Currency is as per below table. **(Rs. In Millions)**

Expenditure in foreign Currency (Accrual basis)	For the year ended 31 March 2022
Expense Incurred	3.65
Total	**3.65**

41 The new section Impact and tax ordiance

On September 20, 2019, the Government of India, vide the Taxation laws (Amendment) Ordinance 2019, inserted Section 115BAA in the Income Tax Act, 1961, which provides domestic Companies an option to pay Corporate Tax at reduced rate effective April 1, 2019 subject to certain conditions.

The Holding Company has decided to exercise the option of lower tax rate available under Section 115BAA of the Income Tax Act, 1961, as introduced by Taxation Laws (Amendment) Ordinance, 2019 in the financial year 2022-23. This option was exercised by the subsidairy company in FY 2020-21.

42 Utilisation Of Borrowed Funds And Share Premium

(i) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

43 The Group has not traded or invested in any Crypto Currency or Virtual Currency during the financial year.

44 No proceedings have been initiated or pending against the Group for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

45 All applicable cases where registration of charges or satisfaction is required to be filed with Registrar of Companies have been filed.

46 The Group has complied with the number of layers prescribed under clause (87) of Section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017

47 There are no transactions with the Companies whose name are struck off under Section 248 of The Companies Act, 2013 or Section 560 of the Companies Act, 1956 during the year ended 31st March 2022.

48 The Holding Company and its subsidiary have not granted Loans or Advances in the nature of Loan to its promoters, director, related parties either severally or jointly with any other person.

49 The Holding Company and its subsidiary have not been declared a wilful defaulter by any bank or Financials Institutions.

As per our report of even date attached.

For Sukhbir & Associates **Chartered Accountants**	**For and on behalf of the Board of Directors**	
S. S. Sahni **(Partner)** Firm Reg. No.: 132961W Membership No. : 038638	**Elizabeth Jacob** **Director & CEO** DIN: 00095493	**Nagesh Rao** **Director & CFO** DIN: 02083552

Place: Mumbai
Date:

320, Udyog Mandir 1
Bhagoji Keer Marg
Mahim West
Mumbai - 400016
+91-22-24440777 (O)
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sukhbir & associates
Chartered Accountants

Independent Auditors' Report

To the Board of Directors of,
Athena BPO Private Limited

Report on Audit of Special Purpose Interim Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying Special Purpose Interim Consolidated Ind AS Financial Statements of **Athena BPO Private Limited** ("*the Holding Company*") *and* its subsidiaries *(the Holding company and its subsidiaries together referred to as "the Group")* which comprises of the special purpose consolidated Balance Sheet as at September 30, 2022, the special purpose consolidated Statement of Profit and Loss (including Other Comprehensive Income), the special purpose consolidated Statement of Changes in Equity and the special purpose consolidated Statement of Cash Flows for the six months period then ended, and Notes to the financial statements, including a summary of significant accounting policies and other explanatory information (herein referred to as "Special Purpose Interim Consolidated Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Special Purpose Interim Consolidated Ind AS Financial Statements are prepared, in all material respects, in accordance with the basis of the preparation as set out in Note 2.a. of the Special Purpose Interim Consolidated Ind AS Financial Statements of the state of affairs of the Group as at September 30, 2022, and profit, its cash flows and changes in equity for the six months period ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Special Purpose Interim Consolidated Ind AS Financial Statements' section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Special Purpose Interim Consolidated Ind AS Financial Statements.

Emphasis of Matter

We draw attention to Note 2.a. to the Special Purpose Interim Consolidated Ind AS Financial Statements, which describes the basis of preparation in accordance with the measurement and recognition principles of Indian Accounting Standard (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) after considering the transition date of 1 April 2021. Further, the Special Purpose Interim Consolidated Ind AS Financial Statements of the Group have been prepared for the purpose of preparation of Proforma Financial Statements by Updater Services Limited ("Issuer Company") which will be included in Initial Public Offering documents pursuant to the requirements of Issue of Capital and Disclosure Requirements, 2018 as amended and hence, these Special Purpose Interim Consolidated Ind AS Financial Statements do not include certain disclosures which would have otherwise been required for general purpose Interim Consolidated financial statements. These Special Purpose Interim Consolidated Ind AS Financial Statements omit disclosures such as transition date balance sheet, comparative information and certain other disclosures as envisaged under Ind AS and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III).

Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Special Purpose Interim Consolidated Ind AS Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation of these Special Purpose Interim Consolidated Ind AS Financial Statements which have been prepared in accordance with the basis of the preparation as set out in Note 2.a. of the Special Purpose Interim Consolidated Ind AS Financial Statements. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Special Purpose Interim Consolidated Ind AS Financial Statements are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the Special Purpose Interim Consolidated Ind AS Financial Statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the Special Purpose Interim Consolidated Ind AS Financial Statements, the Management and the Board of Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Holding Company's Board of Directors is also responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Special Purpose Interim Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Special Purpose Interim Consolidated Ind AS Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Special Purpose Interim Consolidated Ind AS Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Special Purpose Interim Consolidated Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Holding Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of Holding Company's management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Special Purpose Interim Consolidated Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Restriction of Use:

Without modifying our opinion, we draw attention to Note 2.a. to the Special Purpose Interim Consolidated Ind AS Financial Statements, which describes the basis of preparation. The accompanying Special Purpose Interim Consolidated Ind AS Financial Statements have been prepared for the purpose of preparation of Proforma financial statements by the Issuer Company which will be included in Initial public offering documents pursuant to the requirements of Issue of Capital and Disclosure Requirements, 2018 as amended. As a result, Special Purpose Interim Consolidated Ind AS Financial Statements may not be suitable for any other purposes. Our report is solely for the use of the Board of Directors of the Company and for the use of current statutory auditors of the Issuer Company and for its inclusion in the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus of the Issuer Company and should not be distributed to or used by other parties without our prior consent.

For Sukhbir & Associates
Chartered Accountants

S.S. Sahni
(Partner)
ICAI Firm Reg. No: 132961W
Membership No.: 38638
UDIN: 23038638BGWSZP8245

Place: Mumbai
Date: 24th March 2023

Athena BPO Private Limited

Special Purpose Consolidated Balance Sheet

(Rs. In Millions)

Sr No	Particulars	*Note*	As at 30 September 2022
I	**ASSETS**		
	(1) Non-current Assets		
	(a) Property, plant and equipment	*4a*	**147.12**
	(b) Intangible assets	*4b*	**11.23**
	(c) Right Of Use Asset	*4c*	**245.52**
	(d) Financial assets		
	(i) Other financial assets	*5*	**25.63**
	(e) Deferred tax assets (net)	*6a*	**15.72**
	(f) Income tax assets (net)	*7*	**23.02**
	Total Non-current Assets		**468.24**
	(2) Current Assets		
	(a) Financial assets		
	(i) Trade receivables	*8*	**226.00**
	(ii) Cash and cash equivalents	*9a*	**190.34**
	(iii) Bank balances other than (ii) above	*9b*	**103.26**
	(iv) Other current financial assets	*10*	**2.64**
	(b) Other current assets	*11*	**12.51**
	Total Current Assets		**534.75**
	Total Assets		**1,002.99**
II	**EQUITY AND LIABILITIES**		
	(1) Equity		
	(a) Equity share capital	*12*	**5.76**
	(b) Other equity	*13*	**565.81**
	Total Equity		**571.57**
	(2) Non-current liabilities		
	(a) Financial liabilities		
	(i) Lease Liabilities	*14*	**185.25**
	(b) Provisions	*15*	**10.37**
	Total Non-current liabilities		**195.62**
	(3) Current liabilities		
	(a) Financial liabilities		
	(i) Lease Liabilities	*16*	**70.98**
	(ii) Trade payables	*17*	
	a) total outstanding dues of micro and small enterprises		**2.49**
	b) total outstanding dues of creditors other than micro and small enterprises		**100.67**
	(b) Other current liabilities	*18*	**34.09**
	(d) Short Term Provisions	*19*	**27.57**
	Total Current liabilities		**235.80**
	Total Liabilities		**431.42**
	Total Equity and Liabilities		**1,002.99**

See accompanying notes forming part of the financial statements

As per our report of even date attached.

For Sukhbir & Associates
Chartered Accountants

For and on behalf of the Board of Directors

S. S. Sahni
(Partner)
Firm Reg. No.: 132961W
Membership No. : 038638

Elizabeth Jacob
Director & CEO
DIN: 00095493

Nagesh Rao
Director & CFO
DIN: 02083552

Place: Mumbai
Date:

Athena BPO Private Limited

Special Purpose Consolidated Statement of Profit and Loss

(Rs. In Millions)

Sl No	Particulars	Note	For the half year ended 30 September 2022
	Income		
I	Revenue from operations	*20*	**672.30**
II	Other income	*21*	**3.47**
III	**Total Income (I+II)**		**675.77**
IV	**Expenses**		
	(1) Employee benefits expense	*22*	**467.64**
	(2) Finance Cost	*23*	**14.32**
	(3) Depreciation and Amortization Expenses	*4*	**63.36**
	(4) Other Expenses	*24*	**72.07**
	Total Expenses		**617.39**
V	**Profit Before Tax (III-IV)**		**58.38**
VI	**Tax Expenses**		
	(1) Current Tax	*6b*	**9.83**
	(2) Deferred Tax	*6b*	**1.48**
	(3) Adjustment of tax for earlier years	*6b*	**(18.19)**
	Total tax expenses		**(6.88)**
VII	**Profit/(loss) (V-VI)**		**65.26**
VIII	**Other comprehensive income**		
	(1) Items that will not be reclassified to profit or loss		
	Acturial Gain / (Loss)		**(2.10)**
	(2) Income tax related to items that will not be reclassified to profit or loss		**0.53**
IX	**Total comprehensive income (VII+VIII)**		**63.69**
X	**Earnings per equity share**	*25*	1,126.31
	- Basic and diluted (in Rs.)		

See accompanying notes forming part of the financial statements

As per our report of even date attached.

For Sukhbir & Associates
Chartered Accountants

For and on behalf of the Board of Directors

S. S. Sahni
(Partner)
Firm Reg. No.: 132961W
Membership No. : 038638

Elizabeth Jacob
Director & CEO
DIN: 00095493

Nagesh Rao
Director & CFO
DIN: 02083552

Place: Mumbai
Date:

Athena BPO Private Limited
Special Purpose Consolidated Statement of Changes in Equity

A Equity share capital **(Rs. In Millions)**

Particulars	Balance as at 01 April 2022	Changes in Equity share capital due to prior period errors	Restated balance as at 01 April 2022	Changes in Equity share capital during the year *(Buyback of shares)*	Balance as at 30 September 2022
Authorized Share Capital					
Equity Shares of Rs.100 each with voting rights					
No. of Shares	1,90,000	-	1,90,000	-	1,90,000
Amount	19.00	-	19.00	-	19.00
Issued, subscribed and fully paid-up shares					
Equity Shares of Rs.100 each with voting rights					
No. of Shares	74,206	-	74,206	(16,622)	57,584
Amount	7.42	-	7.42	(1.66)	5.76

B Other equity **(Rs. In Millions)**

Sr No	Particulars	Other equity					Total attributable to equity shareholders
		Reserves and surplus				Other Comprehensive	
		Retained Earnings	General Reserve	Capital Redemption Reserve	Securities Premium	Actuarial gain/(loss)	
a	**Balance at 1 April 2022**	**422.23**	**2.88**	**8.34**	**214.23**	**(2.24)**	**645.45**
	Changes in accounting policy or prior period errors	-	-	-	-	-	-
b	**Restated Balance at 1 April 2022**	422.23	2.88	8.34	214.23	(2.24)	645.45
	(i) Profit for the half year ended 30 September 2022	65.27	-	-	-	-	65.27
	(ii) Other comprehensive income for the half year ended 30 September 2022	-	-	-	-	(1.58)	(1.58)
c	**Total comprehensive income**	65.27	-	-	-	(1.58)	63.69
d	**Transactions with shareholders**	-	-	-	-	-	-
	Buyback of shares	-	(1.66)	1.66	(143.33)	-	(143.33)
e	**Balance at 30 September 2022**	**487.50**	**1.22**	**10.00**	**70.90**	**(3.81)**	**565.81**

<u>Description of nature and purpose of each reserve</u>

Retained Earnings

Retained earnings are the profits that the Group has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders of the Holding Company.

Capital Redeemption Reserve

As required by the provisions of the Companies Act, capital redemption reserve is created on buyback of shares

General Reserve

The General reserve is used from time to time to transfer profits from retained earnings.

Securities Premium

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

See accompanying notes forming part of the financial statements

As per our report of even date attached.

For Sukhbir & Associates	**For and on behalf of the Board of Directors**	
Chartered Accountants		
S. S. Sahni	**Elizabeth Jacob**	**Nagesh Rao**
(Partner)	**Director & CEO**	**Director & CFO**
Firm Reg. No.: 132961W	DIN: 00095493	DIN: 02083552
Membership No. : 038638		

Place: Mumbai
Date:

Athena BPO Private Limited

Special Purpose Consolidated Cashflow statement

(Rs. In Millions)

Sr No.	Particulars	For the half year ended 30 September 2022
A	**Cash flow from operating activities**	
	Net profit before tax	58.38
	Adjustments for:	
	Depreciation & Amortisation	63.36
	Interest income from unwinding of security deposit	(1.07)
	Interest income from unwinding of employee loans	(0.02)
	Interest on discounting of Lease Liability	14.32
	Interest income from Fixed Deposits	(2.17)
	Interest on borrowings	0.01
	Provision for employee benefit expenses based on acturial valuation	1.19
	Less: Gratuity Paid	(0.75)
	Sundry balances written off	0.15
	Provision for incentive	20.00
	Provision for CSR Expenses	1.54
	Operating profit before working capital changes	154.93
	Adjustments for working capital:	
	(Increase)/Decrease in trade receivables	(32.40)
	(Increase)/Decrease in other financial assets	6.28
	(Increase)/Decrease in other current assets	0.91
	Increase/(Decrease) in trade payables	22.89
	Increase/(Decrease) in other current liabilities	(3.67)
	Cash generated from operations	148.94
	Direct taxes (paid)	(27.97)
	Net cash from operating activities	120.97
B	**Cash flow from investing activities**	
	Additions to Property plant & equipment, & Intangibles assets	(76.41)
	Sale of Fixed assets	0.03
	(Increase)/Decrease in current investments [Fixed Deposits]	163.80
	Interest income from Fixed Deposits	2.17
	Net cash (used in) investing activities	89.58
C	**Cash flow from financing activities**	
	Repayment of borrowings	(0.57)
	Interest on borrowings	(0.01)
	Payment of lease liability	(40.69)
	Buyback of Equity shares	(144.99)
D	**Net cash (used in) financing activities**	(186.27)
E	**Net cash flows during the year (A+B+C)**	24.28
F	**Reconciliation**	
	Cash and cash equivalents (opening balance)	166.05
	Net cash flows during the year	24.28
	Cash and cash equivalents (closing balance) [Refer Note-12(a)]	190.34

Athena BPO Private Limited

Special Purpose Consolidated Cashflow statement

(Rs. In Millions)

Sr No.	Particulars	For the half year ended 30 September 2022
G	**Components of Cash and Cash Equivalents**	
	Balance with banks	**190.28**
	- in current account	***102.38***
	- in deposits accounts [Original maturity less than 3 months]	***87.90***
	Cash on hand	**0.05**
	Total	**190.34**

Notes:

The above cashflow statement has been prepared under 'indirect Method' as set out in the Indian Accounting Standard 7 on Statement on Cash Flows.

See accompanying notes forming part of the financial statements

As per our report of even date attached.

For Sukhbir & Associates
Chartered Accountants

For and on behalf of the Board of Directors

S. S. Sahni
(Partner)
Firm Reg. No.: 132961W
Membership No. : 038638

Elizabeth Jacob
Director & CEO
DIN: 00095493

Nagesh Rao
Director & CFO
DIN: 02083552

Place: Mumbai
Date:

1 Corporate Information

Athena BPO Private Limited ("the Holding Company") was incorporated on 1 January, 1993. It offers business of providing business process outsourcing (BPO) services.

The holding company has expanded the business of BPO services to the insurance sector by floating a Wholly Owned Subsidiary "Athena Call Centre Services Private Limited" in 2004.

Athena BPO Private Limited and its subsidiary is collectively known as "the Group"

On 23rd December 2022, the then existing shareholders have transferred 57% of the shareholding in the Holding Company to a new investor, Updater Services Limited.

2 Basis of preparation and presentation

a Basis of preparation

These Special Purpose Interim Consolidated Ind AS Financial Statements have been prepared in accordance with the measurement and recognition principles of Indian Accounting Standard (Ind AS) notified under the Companies (Indian Accounting Standards)

Rules, 2015 (as amended from time to time) after considering the transition date of 1 April 2021. However, these Special Purpose Interim Consolidated Ind AS Financial Statements do not include certain disclosures which would have otherwise been required for General Purpose Consolidated Ind AS Financial Statements. These Special Purpose Consolidated Ind AS Financial Statements omit disclosures such as transition date balance sheet, comparative information and certain other disclosures as envisaged under Ind AS and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III).

As stated in note 1, the Group has been acquired by Updater Services Limited. Updater Services Limited ("Issuer Company") is in the process of filing the Initial public offering documents with Securities and Exchange Board of India ("SEBI").

The Special Purpose Interim Consolidated Ind AS Financial Statements of the Group have been prepared for the purpose of preparation of Proforma Financial Statements by the Issuer Company which will be included in Initial public offering documents pursuant to the requirements of Issue of Capital and Disclosure Requirements, 2018 as amended.

These Special Purpose Interim Consolidated Ind AS Financial Statements are not the statutory financial statements of the Group. As a result, these Special Purpose Interim Consolidated Ind AS Financial Statements may not be suitable for any purpose other than those stated above.

b Going Concern & Historic cost convention

These financial statements are prepared on going concern basis in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value and the provisions of the Companies Act, 2013 ('Act').

c Functional and Presentation Currency

The financial statements are presented in Indian Rupees (INR), which is the functional currency of the Holding Company. All amounts have been rounded off to the nearest million or decimals thereof. Amount below the rounded off norms have been reflected as "0" in the relevant notes.

d Consistency of Accounting Policy

The accounting policies are applied consistently to all the periods presented in the financial statements, except where a newly issued accounting standard is initially adopted or a revision to an existing standard requires a change in the accounting policy hitherto in use.

e Use of estimates and judgements

The preparation of Special Purpose Interim Consolidated Ind AS Financial Statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods

The areas involving estimates or judgments are as follows:

Property, plant and equipment:

Useful lives of tangible assets are based on the life prescribed in Schedule II of the Act. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

Recognition and measurement of defined benefit obligations:

The obligation arising from the defined benefit plan is determined on the basis of actuarial valuation. Key actuarial assumptions include discount rate, trends in salary escalation and vested future benefits and life expectancy. The discount rate is determined with reference to market yields at the end of the reporting period on the government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post–employment benefit obligations.

Intangible Assets:

Intangible assets majorly consists software licences which are amortised over licence period which equates the economic useful life ranging between 2–5 years on a straight–line basis over the period of its economic useful life.

Recognition of deferred tax assets and income tax:

Deferred tax asset is recognised for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. The management assumes that taxable profits will be available while recognising deferred tax assets.

Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The Group reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the Special Purpose Interim Consolidated Ind AS Financial Statements.

Allowance for uncollected accounts receivable and advances:

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management seems them not collectible. Impairment is made using expected credit loss model.

The impairment provisions for financial assets are based on assumption about risk of default and expected loss rates. Judgement in making these assumption and selecting the inputs to the impairment calculation are based on past history, existing market condition as well as forward looking estimates at the end of each reporting period.

Contingencies:

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Group as it is not possible to predict the outcome of pending matters with accuracy.

Impairment reviews

An impairment exists when the carrying value of an asset or cash generating unit ('CGU') exceeds its recoverable amount. Recoverable amount is the higher of its fair value less costs to sell and its value in use. The value in use calculation is based on a discounted cash flow model. In calculating the value in use, certain assumptions are required to be made in respect of highly uncertain matters, including management's expectations of growth in EBITDA, long term growth rates; and the selection of discount rates to reflect the risks involved.

f Principals of Consolidation

These Special Purpose Interim Consolidated Ind AS Financial Statements comprise the financial statement of the Holding Company and its wholly owned subsidiary. A subsidiary is an entity over which the Group has control. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if and only if the Group has:
- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee),
-Exposure, or rights, to variable returns from its involvement with the investee, and
-The ability to use its power over the investee to affect its returns.
Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:
-The contractual arrangement with the other vote holders of the investee.
-Rights arising from other contractual arrangements.
-The Group's voting rights and potential voting rights.
-The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.
The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.
Special Purpose Interim Consolidated Ind AS Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the Special Purpose Interim Consolidated Ind AS Financial Statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the Special Purpose Interim Consolidated Ind AS Financial Statements to ensure conformity with the Group's accounting policies.

Consolidation procedure

(i) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the Special Purpose Interim Consolidated Ind AS Financial Statements from the date on which control commences until the date on which control ceases.

(ii) Non-controlling interests (NCI)

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition.
Non-controlling interests in the net assets (excluding goodwill) of consolidated subsidiaries are identified separately from the Group's equity. NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non- controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if it results in the non–controlling interest having a deficit balance.

(iii) Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in Statement of Profit and Loss.

(iv) Transaction's eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra–group transactions, are eliminated. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

g <u>Classification of Assets and Liabilities into Current/Non-Current</u>

For the purpose of Balance Sheet, an asset is classified as current if:
(i) It is expected to be realised, or is intended to be sold or consumed, in the normal operating cycle; or
(ii) It is held primarily for the purpose of trading; or
(iii) It is expected to realise the asset within twelve months after the reporting period; or
(iv) The asset is a cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.
Similarly, a liability is classified as current if:
(i) It is expected to be settled in the normal operating cycle; or
(ii) It is held primarily for the purpose of trading; or
(iii) It is due to be settled within twelve months after the reporting period; or
(iv) The Group does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could result in its settlement by the issue of equity instruments at the option of the counterparty does not affect this classification.
All other liabilities are classified as non-current.

Operating cycle

An operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.
Based on the nature of activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Holding Company has determined its operating cycle as **twelve months** for the purpose of

3 Significant accounting policies

a Property, Plant and Equipment (PPE)

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at initial cost less accumulated depreciation and impairment loss, if any.

The initial cost of all other property, plant and equipment comprises of its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use, including relevant borrowing costs and any expected costs of replacement and decommissioning and excludes Cenvat/ Value added tax eligible for credit/setoff.

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

Subsequent expenditure relating to PPE are capitalised only when it is probable that future economic benefits associated with these will flow to the Group and cost of the item can be measured reliably. Repairs and maintenance cost are charged to the Statement of Profit and Loss in the period in which the costs are incurred.

Material items such as spare parts, stand-by equipment and service equipment are classified as PPE when they meet the definition of PPE as specified in Ind AS 16 – Property, Plant and Equipment.

Capital work–in–progress in respect of assets which are not ready for their intended use are carried at cost, comprising of direct costs, related incidental expenses and attributable interest.

Property, plant and equipment are derecognised either on disposal or when the asset retires from active use. Losses arising in the case of the retirement of property, plant and equipment and gains or losses arising from disposal of property, plant and equipment are recognised in the statement of profit and loss in the year of occurrence.

Advances given towards acquisition of property, plant and equipment outstanding at each balance sheet date are disclosed as Capital Advance under Other non– current assets.

Upon first time adoption of Ind AS, the Group has elected to measure all its PPE at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e. 01 April 2021.

b Depreciation

The depreciable amount of an item of Property plant and Equipment is allocated on a systematic basis over its useful life. The Group provides depreciation on straight-line method over the useful lives as prescribed under Schedule II of the Act as per technical assessment. The Holding Company believes that written down value method reflects the pattern in which the asset's future economic benefits are expected to be consumed by the Group. The residual values, useful lives and method of depreciation are reviewed at least at each financial year-end and adjusted prospectively, if appropriate.

Depreciation on additions/ (disposals) are provided on a pro-rata basis i.e. from/ (up to) the date on which the asset is ready to use/ (disposed off).

c Intangible Assets and Amortization

Intangible assets are stated at cost less accumulated amortization and impairment loss if any. Intangible assets are recognised only if it is probable that the expected future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably.

The Holding Company determines the estimated useful life of an identifiable intangible asset on the basis of number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Intangible assets under development which are not ready for their intended use are carried at cost, comprising of direct costs related incidental expenses and attributable interest.

Software is amortised over their estimated useful life on straight line basis from the date they are available for intended use, subject to impairment test

Gains or losses arising from derecognition of an intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the assets is derecognised.

d Impairment of Non-Financial Assets

The Group's non–financial assets other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows (i.e. corporate assets) are grouped together into cash–generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amounts of the assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of assets for which impairment loss has been recognised in prior periods, the Holding Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

e Borrowing Costs

Borrowing costs are interest and other costs incurred by the Group in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of those property, plant and equipment which necessarily take a substantial period of time to get ready for their intended use are capitalised. Other borrowing costs are recognised as an expense in the Statement of Profit and Loss of the period in which they are incurred. Borrowing cost also includes exchange differences to the extent regarded as on adjustment to the borrowing cost.

f Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects current market assessment of time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non -occurrence of one or more uncertain future events not wholly within the control of the Group.

Claims against the Group where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realization of income is virtually certain, then the related asset is not a contingent asset and is recognised.

g Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Income from services

The Group applied Ind AS 115 using the modified retrospective approach.

Revenues from Business Process Outsourcing (BPO) services comprises of time/unit price and fixed fees-based service contracts. Revenue from time/unit price based contract is recognised as services are rendered and is billed in accordance with the contractual terms specified in the customer contracts. Revenue from fixed fees-based service contracts is recognised on achievement of performance milestones specified in customer contracts. The Group collects indirect tax on behalf of the government and, therefore, it is not an economic benefit flowing to the company. Hence, it is excluded from revenue.

Interest

Interest income is recognised with reference to the Effective Interest Rate method. It is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head “other income” in the statement of profit and loss.

Dividend

Dividend from investment is recognised as revenue when right to receive is established.

h Lease

The Group applied Ind AS 116 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application.

The Group’s lease asset classes primarily consist of leases for buildings. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (1) the contract involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognises a right-of-use asset (“ROU”) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the generally accepted interest rate. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognised on the basis of terms and conditions as mutually agreed in the lease agreements

The interest applied for lease liability as at 1st April 2021 is 11%

i Employee Benefit Expense

Short-term Employee Benefits

All employee benefits payable wholly within twelve months of rendering service are classified as short term employee benefits.

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Grouo has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

Defined contribution plans

Contributions to defined contribution plans are recognised as expense when employees have rendered services entitling them to such benefits.

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in Other Comprehensive Income. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss.

<u>Gratuity</u>
The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service subject to INR 20 lacs. Vesting occurs upon completion of five years of service. The Group accounts for gratuity benefits payable in future based on an independent external actuarial valuation carried out at the end of the year using the projected unit credit method. Actuarial gains and losses are recognised as Other Comprehensive Income.

j Income Taxes

Income tax comprises of current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates to a business combination or to an item recognised directly in Equity or in Other Comprehensive Income.

Current tax

Current tax comprises expected tax payable or receivable on the taxable income or loss for the period and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax is not recognised for temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

k Foreign Currency Transactions

Transactions in foreign currencies are translated into the Holding Company's functional currency at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non–monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are not translated. Foreign currency exchange differences are generally recognised in the statement of profit and loss.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous Financial Statements are recognised in the Consolidated Statement of Profit and Loss in the period in which they arise. When a gain or loss on a non–monetary item is recognised in Other Comprehensive Income, any exchange component of that gain or loss is recognised in Other Comprehensive Income. Conversely, when a gain or loss on a non–monetary item is recognised in Consolidated Statement of Profit and Loss, any exchange component of that gain or loss is recognised in Consolidated Statement of Profit and Loss.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous Financial Statements are recognised in the Consolidated Statement of Profit and Loss in the period in which they arise. When a gain or loss on a non–monetary item is recognised in Other Comprehensive Income, any exchange component of that gain or loss is recognised in Other Comprehensive Income. Conversely, when a gain or loss on a non–monetary item is recognised in Consolidated Statement of Profit and Loss, any exchange component of that gain or loss is recognised in Consolidated Statement of Profit and Loss.

l Earnings Per Share:

The Group calculates earnings per share amounts for profit or loss attributable to ordinary equity shareholders of the Holding Company.

The basic Earnings Per Share (“EPS”) is computed by dividing the net profit / (loss) after tax for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, net profit/(loss) after tax for the period attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

m Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial Assets:

<u>Classification:</u>

The Group classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss, on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

<u>Initial recognition and measurement:</u>

All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset. Financial assets subsequently measured at fair value through profit or loss are recognised initially at fair value.

Subsequent measurement:
For the purpose of subsequent measurement, financial assets are classified in two broad categories:
- Financial assets at fair value (FVTPL/FVTOCI)
- Financial assets at amortised cost

When assets are measured at fair value, gains and losses are either recognised in the statement of profit and loss (i.e. fair value through profit or loss (FVTPL)), or recognised in other comprehensive income (i.e. fair value through other comprehensive income (FVTOCI)).

Financial Assets measured at amortised cost (net of write down for impairment, if any):
Financial assets are measured at amortised cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method less impairment, if any. The losses arising from impairment are recognised in the Statement of profit and loss.

Financial Assets measured at Fair Value through Other comprehensive Income ("FVTOCI"):
Financial assets under this category are measured initially as well as at each reporting date at fair value, when asset is held within a business model, whose objective is to hold assets for both collecting contractual cash flows and selling financial assets. Fair value movements are recognised in the other comprehensive income.

Financial Assets measured at Fair Value through Profit or Loss ("FVTPL"):
Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognised in profit or loss.

Investment in Equity Instruments:
Equity instruments which are held for trading are classified as at FVTPL. Fair value changes on the instrument, excluding dividends, are recognised in profit or loss.

Investment in Debt Instruments:
A debt instrument is measured at amortised cost or at FVTOCI. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of profit and loss.

Derecognition of Financial Assets:
A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset.

Impairment of Financial Assets:
In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are debt instruments and trade receivables.

(ii) Financial Liabilities:
Classification:
The Group classifies all financial liabilities as subsequently measured at amortised cost or FVTPL.

Initial recognition and measurement:
All financial liabilities are recognised initially at fair value and, in the case of loans, borrowings and payables, net of directly attributable transaction costs.
Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

Subsequent measurement:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Interest–bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Derecognition of Financial Liabilities:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Off setting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Equity Instrument

Equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities and includes no obligation to deliver cash or other financial assets

Measurement of fair values

The Holding Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Holding Company has an established control framework with respect to the measurement of fair values. The Holding Comany regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the Holding Company assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

n Cash and cash equivalents

Cash and Cash Equivalents comprise of cash on hand and cash at bank including fixed deposit/highly liquid investments with original maturity period of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short–term deposits, as defined above, as they are considered an integral part of the Holding Company's cash management.

o Cash Flow Statement

The above cashflow statement has been prepared under 'indirect Method' as set out in in the Indian Accounting Standard 7 on Statement on Cash Flows whereby net profit before tax is adjusted for the effects of transactions of a non–cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flow from operating, investing and financing activities of the Group are segregated.

p Dividend to Shareholders

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividends are approved by the shareholders of the Holding Company. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable is recognised directly in equity.

q Tax on buy-back

Tax on buy-back of share by the Holding Company is calculated at the rate of twenty per cent (plus surcharge at the rate of twelve per cent and cess as applicable) on the distributed amount in excess of the amount received by a company at the time of subscription in respect of such shares from all the shareholders ("Distributed income"). As per the working prepared by the Holding Company, the tax on buyback on shares is Nil for the relevant years.

(Rs. In Millions)

4a Property, plant and equipment

Following are the changes in the carrying value of property, plant and equipment for the half year ended 30 September

Particulars	Gross carrying value (at deemed cost)				Accumulated depreciation				Net carrying amount
	Balance as at 01 April 2022	Additions	Deletions/ Discarded/ Adjustments	Balance as at 30 September 2022	Balance as at 01 April 2022	Charge for the half year	Deletions	Balance as at 30 September 2022	Balance as at 30 September 2022
Buildings	1.50	-	-	1.50	0.16	0.08	-	0.24	1.26
Plant and equipment	19.19	8.73	-	27.92	3.04	1.89	-	4.94	22.99
Furniture and fixtures	9.48	7.62	-	17.11	1.10	0.70	-	1.80	15.31
Vehicles	10.78	4.78	-	15.57	2.50	0.83	-	3.32	12.24
Computers	72.99	20.33	0.03	93.30	26.09	16.15	-	42.24	51.06
Data and voice processing equipment	6.81	1.51	-	8.32	2.28	1.49	-	3.78	4.55
Lease hold improvements	21.14	29.37	-	50.51	5.83	4.97	-	10.80	39.72
Total	**141.90**	**72.36**	**0.03**	**214.23**	**41.00**	**26.11**	**-**	**67.11**	**147.12**

4b Intangible assets

Following are the changes in the carrying value of Intangible assets for the half year ended 30 September 2022

Description	Gross carrying value (at deemed cost)				Accumulated amortisation				Net carrying amount
	Balance as at 01 April 2022	Additions	Deletions/ Discarded/ Adjustments	Balance as at 30 September 2022	Balance as at 01 April 2022	Charge for the half year	Deletions	Balance as at 30 September 2022	Balance as at 30 September 2022
Computer software	10.82	4.05	-	14.88	2.14	1.51	-	3.65	11.23
Total	**10.82**	**4.05**	**-**	**14.88**	**2.14**	**1.51**	**-**	**3.65**	**11.23**

4c Right of Use Assets

Following are the changes in the carrying value of Right of Use Assets for the half year ended 30 September 2022

Description	Gross carrying value (at deemed cost)				Accumulated amortisation				Net carrying amount
	Balance as at 01 April 2022	Additions	Deletions/ Discarded/ Adjustments	Balance as at 30 September 2022	Balance as at 01 April 2022	Charge for the half year	Deletions	Balance as at 30 September 2022	Balance as at 30 September 2022
Building	296.25	48.77	-	345.01	63.75	35.74	-	99.49	245.52
Total	296.25	48.77	-	345.01	63.75	35.74	-	99.49	245.52

(Rs. In Millions)

Summary of Depreciation and Amortisation Expenses	
Particulars	**As at 30 September 2022**
On Property Plant and Equipment	26.11
On Intangible Assets	1.51
On Right of Use Assets	35.74
Depreciation and Amortization Expenses as per Profit and Loss	**63.36**

5 Other non current Financial assets

Particulars	**As at 30 September 2022**
Security deposits - Premises and other deposits	
- Considered good	25.43
- Considered doubtful	1.56
Less: Provision for expected credit loss on doubtful advances	(1.56)
Loan to employees	0.21
Total	**25.63**

(Rs. In Millions)

7 Income tax assets (net)

Particulars	As at 30 September 2022
Advance taxes and tax deducted at source	73.90
Less: Provision for Tax	(50.88)
Total	**23.02**

8 Trade Receivables

Particulars	As at 30 September 2022
Unsecured Trade Receivables	
Trade receivables considered good	226.00
Trade receivables which have significant increase in credit risk	-
Trade receivables credit impaired	-
Less : Loss Allowance	-
Total	**226.00**

8a Trade Receivables ageing schedule as at 30 September 2022

Sr No.	Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment					
				< 6 months	6 months - 1 year	1- 2 Years	2-3 years	More than 3 years	Total
(i)	Undisputed Trade receivables - Considered good	139.13	-	86.88	-	-	-	-	**226.00**
(ii)	Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii)	Undisputed Trade Receivables - Credit impaired	-	-	-	-	-	-	-	-
(iv)	Disputed Trade Receivables - Considered good	-	-	-	-	-	-	-	-
(v)	Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi)	Disputed Trade Receivables - Credit impaired	-	-	-	-	-	-	-	-
	Total	**139.13**	**-**	**86.88**	**-**	**-**	**-**	**-**	**226.00**
Less: Loss Allowance		-	-	-	-	-	-	-	-
	Total	**139.13**	**-**	**86.88**	**-**	**-**	**-**	**-**	**226.00**

9a Cash and Cash equivalents

Particulars	As at 30 September 2022
Balance with banks :	
- in current account	102.38
- in deposits accounts	
[Original maturity less than 3 months]	87.90
Cash on hand	0.05
Total	**190.34**

(Rs. In Millions)

9b Bank balances other than those disclosed in Note 10a above

Particulars	As at 30 September 2022
Fixed Deposit [Original maturity with more than 3 months and maturing within 12 months from reporting date]	103.26
Total	**103.26**

10 Other current financial assets

Particulars	As at 30 September 2022
Accrued Interest On Fixed Deposit	1.97
Loan to employees	0.22
Advance to employees	0.33
Security Deposit Receivable	0.12
Total	**2.64**

11 Other current assets

Particulars	As at 30 September 2022
GST Input Tax Credit Receivable	0.65
Prepaid Expenses	1.71
Advance to Vendors	10.15
Total	**12.51**

12 Equity share Capital

12a Share Capital

Particulars	As at 30 September 2022
Authorised	
Equity Shares of Rs. 100 each	19.00
	19.00
Issued, Subscribed and fully paid-up	
Equity Shares of Rs. 100 each	5.76
Total	**5.76**

12b Movement in equity share capital

Particulars	Number of shares	(Rs. In Millions)
Equity shares outstanding at the beginning of the six months period	74,206	7.42
Add: Equity shares allotted during the six months period	-	-
Less: Equity shares extinguished on buybackof shares	(16,622)	(1.66)
Equity Shares outstanding at the end of the six months period	57,584	5.76

During the year, the Holding Company bought back 16,622 shares from its shareholders for Rs. 144.99 millions (including share premium of Rs. 143.33 millions) based on the valuation carried out by an independent valuation

12c Details of Shares in the holding company held by Promoters as at 30 September 2022

Sr No	Promoters Name	No of Shares	% of total Shares	% change during the year
1	Mrs.Elizabeth Jacob	47,290	82.12%	22.40%
2	Mr. Isaac Cherian Jacob	1	0.00%	0.00%

(Rs. In Millions)

12d Terms / Rights attached to each classes of shares

The holding company has only one class of equity shares having par value of Rs.100 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees.

No dividend has been proposed by the Board of Directors during the half year ended 30th September 2022.

In the event of liquidation of the holding company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

12e Details of shareholders holding more than 5% shares

Sr No.	Name of Shareholder	As at 30 September 2022	
		No. of Shares held	% of Holding
1	Mrs.Elizabeth Jacob	47,290	82.12%
2	Mr.V Swaminathan	7,479	12.99%

As per records of the holding company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial

12f Significant subsequent event

On 23rd December 2022, the then existing shareholders have transferred their shares to a new investor and the revised shareholding as at 23rd December 2022 is as under:

Name of Shareholder	No. of Shares held	% of Holding
Updater Services Limited	32,824	57%
Mrs.Elizabeth Jacob	24,760	43%

Further, Mrs. Elizabeth Jacob has agreed to sell her entire stake in the Company to Updater Services Limited in future.

13 Other Equity

Particulars	As at 30 September 2022
Securities Premium	70.90
General reserve	1.22
Capital Redemption Reserve	10.00
Retained Earnings	487.50
Other Comprehensive Income	(3.81)
Total	**565.81**

14 Lease Liabilities - Non Current

Particulars	As at 30 September 2022
Lease Liability	185.25
Total	**185.25**

15 Non-current Provisions

Particulars	As at 30 September 2022
Employee benefits	
Grautity	10.37
Total	**10.37**

(Rs. In Millions)

16 Lease liabilities - Current

Particulars	As at 30 September 2022
Lease Liability	70.98
Total	**70.98**

17 Trade Payables

Particulars	As at 30 September 2022
a) total outstanding dues of micro and small enterprises	2.49
b) total outstanding dues of creditors other than micro and small enterprises	
(i) Payable to parties	11.33
(ii) Accrued employee benefits	89.34
	100.67
Total	**103.15**

17a Trade Payables ageing schedule as at 30 September 2022

Sr No.	Particulars	Unbilled	Not Due	Outstanding for following periods from due date of				
				< 1 year	1- 2 Years	2-3 years	More than 3 years	Total
(i)	MSME	2.14	-	0.35	-	-	-	**2.49**
(ii)	Others	12.66	-	87.98	-	-	0.03	**100.67**
(iii)	Disputed Dues - MSME	-	-	-	-	-	-	-
(iv)	Disputed Dues - Others	-	-	-	-	-	-	-
	Total	**14.79**	**-**	**88.33**	**-**	**-**	**0.03**	**103.15**

This information has been determined to the extent such parties have been identified on the basis of information available with the Holding Company.

Sr No.	Particulars	As at 30 September 2022
(i)	The principle amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	
	Principle amount due to micro and small enterprises	2.49
	Interest due on above	-
(ii)	The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-
(iii)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act 2006.	-
	Principle amount due to micro and small enterprises	-
	Interest due on above	-
(iv)	The amount of interest accrued and remaining unpaid at the end of each accounting year.	-
(v)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of Micro, Small and Medium Enterprises Development Act 2006.	-

(Rs. In Millions)

18 Other Current Liabilities

Particulars	As at 30 September 2022
Statutory Dues Payable	34.09
Total	34.09

19 Short Term Provisions

Particulars	As at 30 September 2022
Employee benefit	
Gratuity	6.03
Provision for Incentives	20.00
Provision for CSR Liability	1.54
Total	**27.57**

Athena BPO Private Limited

Notes to the Special Purpose Interim Consolidated Ind AS Financial Statements

(Rs. In Millions)

20 Revenue from operations

Particulars	For the half year ended 30 September 2022
Sale of services (Business Process Outsourcing services)	672.30
Total	**672.30**

21 Other income

Particulars	For the half year ended 30 September 2022
Interest Income	
-Interest From bank deposit	2.17
-Interest on unwinding of discount on security deposits & employee loans	1.09
Profit on sale of property plant & equipment	0.03
Bad debts recovered	0.18
Total	**3.47**

22 Employee benefits expense

Particulars	For the half year ended 30 September 2022
Salaries and related costs	425.86
Contributions to Provident and Other Funds	37.82
Provision for Gratuity	1.19
Staff welfare expenses	2.78
Total	**467.64**

23 Finance costs

Particulars	For the half year ended 30 September 2022
Interest expense on:	
-Borrowings	0.01
-Delayed payments of statutory liabilities	0.00
-Lease Liability	14.32
Total	**14.32**

24 Other expenses

Particulars	For the half year ended 30 September 2022
Electricity expenses	20.36
Rent expenses	0.46
Repairs and maintenance - others	5.52
CAM for Office premises	0.33
Communication expenses	17.56
Insurance	0.85
Rates and taxes	0.03
Conveyance expenses	0.68
Travelling expenses	0.27
Sales promotion	0.32
Office expenses	0.39
Hiring charges	6.10
Payment to auditors	0.70

(Rs. In Millions)

24 Other expenses (Continued)

Particulars	For the half year ended 30 September 2022
Legal and professional charges	3.81
Printing and stationery expenses	0.65
House keeping expenses	5.25
Security expenses	5.89
Brokerage and Commission	0.95
Sundry Balances Written Off	0.15
CSR Expenditure	1.54
Miscellaneous expenses	0.26
Total	**72.07**

Payment to the auditors (excluding taxes)	For the half year ended 30 September 2022
Statutory Audit	0.30
Limited Review and certification	0.40
Total	**0.70**

25 Earnings per share

The Company's Earnings per Share ("EPS") is determined based on the net profit attributable to the shareholders' of the Holding Company. Basic earnings per share is computed using the weighted average number of shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the year including share options, except where the result would be anti-dilutive.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	For the half year ended 30 September 2022
Profit attributable to equity holders of the Holding company (Rs. In Millions)	65.27
Weighted average number of Equity shares for basic EPS	57,947
Nominal Value	100.00
Earnings per equity share Basic and Diluted (in Rs.)	**1,126.31**

Athena BPO Private Limited
Notes to the Special Purpose Interim Consolidated Ind AS Financial Statements

(Rs. In Millions)

6 Income Taxes

6a Deferred Tax (Net)

Particulars	As at 30 September 2022
Deferred tax assets / (liabilities) :	
Discounting of employee loans	0.01
ROU Asset	(61.79)
Lease Liability	64.49
Property plant and equipment	0.39
Provision for employee Benefit	4.13
Provision for expected credit loss	0.39
Balance deduction u/s 80JJAA	4.76
Disallowance u/s 40(a)(Rent deposited with prothonotary)	1.04
Provision for Staff incentive disallowed u/s 43B	-
Security Deposit	2.31
Total	**15.72**

Movement in Deferred tax assets / liabilities:

Particulars	1 April 2022	Recognised in Statement of Profit & Loss Account (Income / Expense)	Recognised in OCI (Income / Expense)	30 September 2022
Deferred tax assets/ (liabilities) :				
Discounting of employee loans	0.01	(0.00)	-	0.01
ROU Asset	(67.26)	5.46	-	(61.79)
Lease Liability	68.29	(3.81)	-	64.49
Property plant and equipment	7.16	(6.77)	-	0.39
Provision for employee Benefit	4.03	(0.42)	(0.53)	4.13
Provision for expected credit loss	-	0.39	-	0.39
Balance deduction u/s 80JJAA	-	4.76	-	4.76
Disallowance u/s 40(a)(Rent deposited with prothonotary)	1.04	(0.00)	-	1.04
disallowed u/s 43B	1.09	(1.09)	-	-
Security Deposit	2.30	0.01	-	2.31
Deferred tax assets	**16.67**	**(1.48)**	**(0.53)**	**15.72**

Athena BPO Private Limited

Notes to the Special Purpose Interim Consolidated Ind AS Financial Statements

(Rs. In Millions)

6 Income Taxes

6b Tax Reconciliation

	Particulars	For the half year ended 30 September 2022
a	**Profit before tax**	**58.38**
	Tax at Indian tax rate of 25.168%	14.69
b	**Tax effect of amounts which are not deductible/taxable/additionally deductible in calculating taxable income**	**(4.94)**
	Disallowance under ICDS	
	Lease liability recognised under Ind AS	
	Interest expense on unwinding of Lease liability	14.32
	Discounting employee loans at IRR	0.02
	Interest on delayed payment of TDS disallowed in computation	0.02
	Disallowance u/s 40(a) (Rent deposited with prothonotary)	0.55
	Disallowance u/s 40A(7) [Net]	0.44
	Disallowance u/s 37 - CSR Expenditure	1.54
	Depreciation as per Profit and loss account disallowed u/s 32	63.36
	Revenue expenses capitalized in books (leasehold improvements)	(29.37)
	Allowance under ICDS	
	Interest expense on unwinding of discount on security deposit & employee	(1.09)
	Allowance of actual rent paid	(40.69)
	Profit on sale of property plant & equipment	(0.03)
	Deduction u/s 80JJAA	(7.20)
	Depreciation as Income Tax Act allowed u/s 32	(21.49)
c	Profits of subsidairy taxable at lower rate of 25.168% for all years	-
d	Deferred Tax recognised in Profit and Loss Account	1.48
	Taxes of Previous Years [Refer note below]	(18.19)
	MAT Credit (entitlement) / utilised for previous years	-
	Excess current tax provision made on conservative basis [Refer note below]	0.07
	Income tax expenses	**(6.88)**

Note:

During the half year ended 30th September 2022, the Holding Company had reversed excess provision for Income Tax of Rs 18.74 Millions made for AY 2022-23. This was due to the following adjustments which were not considered at the time of computing provision for tax for FY 2021-22:

a Deduction of Rs 14.41 Millions claimed under section u/s 80JJAA.

b Unabsorbed depreciation brought forward from AY 2014-15 amount to Rs 12.00 Millions- set-off against the Income from Business and Profession

c MAT credit of Rs 10.44 Millions.

(Rs. In Millions)

26 Employee benefits

A) Defined contribution plan

In respect of the defined contribution plans, an amount of Rs. 37.82 Millions has been recognised as an expense in the Statement of Profit and Loss for the half year ended 30th September 2022.

B) Defined benefit plan

Table Showing Change in the Present Value of Projected Benefit Obligation	**As at 30 September 2022**
Present Value of Benefit Obligation at the Beginning of the Period	13.88
Current Service Cost	0.92
Interest Cost	0.27
Actual Plan Participants' Contributions	-
Actuarial (Gains)/Losses on Obligations	2.10
Acquisition/Business Combination/Divestiture	-
Actual Benefits Paid	(0.75)
Past Service Cost	-
Changes in Foreign Currency Exchange Rates	-
Loss / (Gains) on Curtailments	-
Liabilities Extinguished on Settlements	-
Present Value of Benefit Obligation at the End of the Period	**16.42**

Table Showing Change in the Fair Value of Plan Assets	**As at 30 September 2022**
Fair Value of Plan Assets at the End of the Period	-
Interest Income Plan Asset	-
Actual Enterprise's Contributions	-
Actual Plan Participants' Contributions	-
Actual Benefits Paid	-
Actuarial Gains/(Losses)	-
Acquisition/Business Combination/Divestiture	-
Changes in Foreign Currency Exchange Rates	-
Liabilities Extinguished on Settlements	-
Fair Value of Plan Assets at the End of the Period	**-**

Amount Recognized in the Balance Sheet	**As at 30 September 2022**
(Present Value of Benefit Obligation at the end of the Period)	16.42
Fair Value of Plan Assets at the end of the Period	-
Funded Status (Surplus/ (Deficit))	**16.42**
Net (Liability)/Asset Recognized in the Balance Sheet	**16.42**

Expenses Recognized in the Statement of Profit or Loss for Current period	**For the half year ended 30 September 2022**
Current Service Cost	0.92
Interest Cost	0.27
Expenses Recognized	**1.19**

(Rs. In Millions)

26 Employee benefits

Expenses Recognized in the Other Comprehensive Income (OCI) for Current Period	For the half year ended 30 September 2022
Amount recognized in OCI, Beginning of Period	4.18
Remeasurements due to :	
Effect of Change in financial assumptions [C]	(1.18)
Effect of Change in demographic assumptions [D]	0.25
Effect of experience adjustments [E]	3.03
Actuarial (Gains)/Losses [C+D+E]	2.10
Return on plan assets (excluding interest)	-
Total remeasurements recognized in OCI	2.10
Amount recognized in OCI, End of Period	**6.29**

Category of Assets	As at 30 September 2022
Govt. of India Securities (Central and State)	0.00%
High quality corporate bonds (incl PSU Bonds)	0.00%
Equity shares of listed companies	0.00%
Real Estate / Property	0.00%
Cash (including Special Deposits)	0.00%
Other (including assets under Schemes of Ins.)	0.00%
Total	**0.00%**

Para 139 (a) Characteristics of defined benefit plan
The Group does not has a defined benefit gratuity plan.

Para 139 (b) Risks associated with defined benefit plan
Gratuity is a defined benefit plan and company is exposed to the Following Risks:
Interest rate risk: A fall in the discount rate which is linked to the Government security's rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.
Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Parituculars	As at 30 September 2022
Rate of Discounting	6.80%
Rate of Salary Increase	3.00%
Expected Return on Plan Assets	0.00%

Sensitivity Analysis	As at 30 September 2022
Projected Benefit Obligation on Current Assumptions	16.42
Delta Effect of + 0.50% Change in Rate of Discounting	16.16
	-1.55%
Delta Effect of -0.50% Change in Rate of Discounting	16.68
	1.62%
Delta Effect of + 0.50% Change in Rate of Salary Growth Rate	16.66
	1.51%
Delta Effect of - 0.50% Change in Rate of Salary Growth Rate	16.19
	-1.41%

(Rs. In Millions)

26 Employee benefits

Particulars	**As at 30 September 2022**
Weighted Average Duration of the Projected Benefit Obligation (In Years)	1.83
Expected cash flows	
1. Prescribed Contribution For Next Year (12 Months)	-
2. Expected benefits payments	
1st Following Year	6.04
2nd Following Year	4.33
3rd Following Year	1.63
4th Following Year	1.24
5th Following Year	1.03
Sum of Years 6 To 10	3.18

Current / Non Current Benefit Obligation	**As at 30 September 2022**
Current Liability	6.04
Non Current Liability	10.37
Total	**16.42**

27 Related party disclosure

(A) List of Related Parties where control exists:

Name of Related Parties	Nature of Relationship
Elizabeth Jacob	Shareholder of the Holding Company
Harish Pandeya	Shareholder of the Holding Company
V Swaminathan	Shareholder of the Holding Company

(B) List of Key Management Personnel:

Name	Nature of Relationship
Elizabeth Jacob	Director & Chief Executive Officer of the Group
Nagesh Rao	Director & Chief Financial Officer of the Group
Isaac Jacob	Director of the Holding Company

(C) The following transactions were carried out with the related parties in the ordinary course of business:

(Rs. In Millions)

Particulars	For the half year ended 30 September 2022
Isaac Jacob (Key Managerial Personnel)	
-Professional fees paid	0.45
Elizabeth Jacob	
- Managerial remuneration	16.13
- Buyback of Shares	119.07
Harish Pandeya	
- Buyback of Shares	7.09
V Swaminathan	
- Buyback of Shares	18.83
Nagesh Rao	
- Managerial remuneration	8.04

(D) Oustanding balance with related parties are as follows:

(Rs. In Millions)

Particulars	As at 30 September 2022
Elizabeth Jacob (Key Managerial Personnel)	
-Payables	1.47
Nagesh Rao (Key Managerial Personnel)	
-Payables	0.84

(Rs. In Millions)

28 Financial instruments disclosure

(A) Fair value hierarchy

The fair value of a financial instrument is the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction, other than in a forced or liquidation sale.

(i) Financial instruments that are carried at fair value

Fair value hierarchy

The Group classifies fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

• Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.
• Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either
• Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

There has been no transfer between Level 1 and Level 2 during the periods reported under.

(B) Financial assets and financial liabilities measured at fair value – recurring fair value measurements

Quantitative disclosures fair value measurement hierarchy for assets as at 30 September 2022

Particulars	Carrying value				Fair Value			
	Fair value through Profit and Loss	Amortised cost	Deemed cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Trade receivables	-	226.00	-	226.00	NA	NA	NA	226.00
Cash and cash equivalents	-	190.34	-	190.34	NA	NA	NA	190.34
Bank balances other than above	-	103.26	-	103.26	NA	NA	NA	103.26
Other financial assets	-	28.27	-	28.27	NA	NA	NA	28.27
Total	**-**	**547.87**	**-**	**547.87**	**-**	**-**	**-**	**547.87**
Financial liabilities								
Borrowings	-	-	-	-	NA	NA	NA	-
Trade payables	-	103.15	-	103.15	NA	NA	NA	103.15
Lease liabilities	-	256.22	-	256.22	NA	NA	NA	256.22
Other financials liabilties	-	-	-	-	NA	NA	NA	-
Total	**-**	**359.37**	**-**	**359.37**	**-**	**-**	**-**	**359.37**

(ii) Financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The carrying amounts of cash and cash equivalents, pledged fixed deposits, trade and other receivables, current trade and other payables, current interest bearing loans and borrowings based on their notional amounts, reasonably approximate their fair values because of their short term maturity.

29 Financial Risk Management Objectives and Policies

The Group's principal financial liabilities comprise of trade payables. The main purpose of these financial liabilities is to finance and support the Company's operations. The Company's principal financial assets include Investments, Loans and Other receivables, Cash and Cash Equivalents, Other Bank Balances that are directly derived from its operations.

The Group is exposed to Currency Risk, Credit Risk and Liquidity Risk. The Holding Company's senior management oversees the management of these risks and ensures that the Group's financial risk activities are governed by appropriate policies and procedures. Financial risks are identified, measured and managed in accordance with the Holding Company's policies and risk objectives.

(A) Market Risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument.
The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, receivables, payables and loans given.

(B) Currency Risk

Foreign currency risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Group does not have a material exposure to the risk of changes in foreign exchange rates.

(C) Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks, loan to subsidiary and other financial instruments.
Customer credit risk is managed subject to the Holding Company's established policy, procedures and control relating to the customer credit risk management. The Holding Company uses financial information and past experience to evaluate credit quality of majority of its customers and individual credit limits are defined in accordance with this assessment. Outstanding receivables and the credit worthiness of its counterparties are periodically monitored and taken up on case to case basis. The Holding Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions representing large number of minor receivables operating in independent markets.
The credit risk on cash and bank balances is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

(D) Liquidity Risk

The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve funding facilities, continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. The table below details out the maturity profile of Group's financial liabilities at each of the reporting periods.

As at 30 September 2022 **(Rs. In Millions)**

Particulars	Carrying Amount	Payable on demand	Upto 1 year	More than 1 year	Total contractual cashflows
Lease Liabilities	256.22	-	70.98	185.25	256.22
Trade payables	103.15	-	103.15	-	103.15
Total	**359.37**	**-**	**174.13**	**185.25**	**359.37**

30 Capital Management

(A) Risk Managment

The Holding Company's capital management objective is to maximise the total shareholder return by optimising cost of capital through flexible capital structure that supports growth. Further, the Holding Company ensures optimal credit risk profile to maintain/enhance credit rating.

The Holding Company determines the amount of capital required on the basis of annual operating plan and long-term strategic plans. The Holding Company monitors the capital structure on the basis of Net debt to equity ratio and maturity profile of the overall debt portfolio of the Group.

For the purpose of capital management, capital includes issued equity capital, securities premium and all other reserves. Net debt includes all long and short-term borrowings including lease liability as reduced by cash and cash equivalents.

The following table summarises the capital of the Company:

(Rs. In Millions)

Particulars	As at 30 September 2022
Equity	**571.57**
Lease Liabilities	256.22
Cash & cash equivalents	190.34
Net debt	**446.56**
Net debt to capital ratio	**0.78**

31 Corporate Social Responsibility

The provisions pertaining to Corporate Social Responsibility as prescribed under the Companies Act, 2013 are applicable to the Holding Company.

(a) Expenses incurred on Corporate Social Responsibility (CSR) programs under Section 135 of the 2013 Act are charged to the Statement of Profit and Loss.

(Rs. In Millions)

Particulars	Total	April 2022 - September 2022	Prior to 01.04.2022
(i) Gross amount required to be spent as per section 135 of Companies Act 2013	8.36	1.54	6.82
(ii) Contributed & Spent during the year	6.82	-	6.82
Shortfall of expenditure / (Excess Spent) (i-ii)	1.54	1.54	(0.00)
(iii) Contributed but unspent as on 30 September 2022	-	-	-
Nature of CSR Activities	i) Promoting education ii) Eradicating Hunger, Poverty, and malnutrition iii) Rural and Slum developments .		

The CSR liability for the half year ended 30th September 2022 is required to be spent uptill 31st March 2023. The total amount required to be spent for the year ended 31st March 2023 is Rs. 3.08 Millions. The Holding Company has contributed Rs. 3.10 Millions in November 2022. The company has made a provision of Rs. 1.54 Millions being proportionate CSR obligation for the half year ended 2022.

(b) Movement of provision **(Rs. In Millions)**

Particulars	April 2022 - September 2022
Opening	-
Add: Additional provision	1.54
Less: Amount Spent	-
Closing	1.54

(Rs. In Millions)

32 Ind AS 116 Leases

Disclosure for operating leases under Ind AS 116 - "Leases":

The Group have taken various premises under operating lease. These are generally cancellable after the mutually agreed lock-in period and ranges from 3 years to 5 years and are renewable by mutual consent on mutually agreeable terms. These lease agreements have price escalation clauses. There are no restrictions imposed by these lease arrangements and there are no sub leases. There are no contingent rents.

Transition

Effective 1 April 2021, the Group adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 1 April 2021 using the modified retrospective method and has considered all leases are starting from 1 April 2021,thereby not altering retained earnings, on the date of initial application.

Consequently, the Group recorded the lease liability at the present value of the lease payments discounted at the generally accepted interest rate and the right of use asset at its present value as if the standard had been applied from 1st April 2021.

The interest rate applied to lease liabilities as at 1 April 2021 is 11%.

Right-of-use assets

Following are the changes in the carrying value of Right of Use Assets for the half year ended 30 September 2022

Particulars	Buildings	Land	Total
Cost			
Balance as at 01 April 2022	296.25	-	296.25
Additions	48.77	-	48.77
Disposals	-	-	-
Balance as at 30 September 2022	**345.01**	**-**	**345.01**
Accumulated depreciation and impairment			
Balance as at 01 April 2022	63.75	-	63.75
Depreciation	35.74	-	35.74
Impairment loss	-	-	-
Eliminated on disposals of assets	-	-	-
Balance as at 30 September 2022	**99.49**	**-**	**99.49**

Carrying amounts	Buildings	Land	Total
Balance as at 01 April 2022	232.49	-	232.49
Balance as at 30 September 2022	**245.52**	**-**	**245.52**

Breakdown of lease expenses

Particulars	As at 30 September 2022
Short-term and low value lease expense	0.46
Total lease expense	**0.46**

Cash outflow on leases	As at 30 September 2022
Repayment of lease liabilities	40.69

Maturity analysis

Particulars	Less than1 year	Over 1 year	Weighted average effective interest rate %
As at 30 September 2022			
Lease liabilities	70.98	185.25	11.00%

33 Ratio Analysis

Sr No.	Ratios	Units	Numerator	Denomenator	30 September 2022
1	Current ratio	in times	Current Assets	Current Liabilities	2.27
2	Debt Equity Ratio	in times	Total Debt *(Vehicle Loan + Lease Liability)*	Shareholders fund	0.45
3	Debt Service coverage ratio	in times	Earning for Debt Service *(Net Profit before taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets)*	Debt Service *(Fixed Interest + Lease Payments + Long Term Loan Principal Repayments)*	3.30
4	Return on Equity Ratio	in %	Net Profit after Taxes	Average Shareholder's	21.32% *
6	Trade receivable turnover ratio	in times	Revenue from Operations	Average Trade Receivable	6.41 *
7	Trade payable turnover ratio	in times	Total operating expense *(Employee benefit expenses + Other Expenses)*	Average Accounts payable	11.77 *
8	Net capital turnover ratio	in times	Revenue from Operations	Average Working capital *(Current Assets - Current liabilities)*	3.65 *
9	Net profit Ratio	in %	Profit after Tax	Revenue from Operations	9.71%
10	Return on capital employed	in %	Earning before interest and taxes	Capital Employed *(Tangible Net Worth + Total Debt + Deferred Tax Liability)*	26.18% *

*Annualised

34 Interests in other entities
A Subsidiaries

(i) The Holding Company's subsidiary at 30th September 2022 is set out below.

a	**Name of the entity**	Athena Call Centre Services Private Limited
b	**Place of business or country of incorporation**	India
c	**Principal activities**	Business Process Outsourcing (BPO)

d **Ownership details are as under:**

Particulars	**As at 30 September 2022**
	%
Ownership interest held by the group	100*
Ownership interest held by minority	0

* Out of the above, one share is held by Mrs.Elizabeth Jacob as a Nominee of Athena BPO Private Limited.
Unless otherwise stated they have share capital consisting solely of equity shares that are held directly by the group and the proportion of ownership interests held equals the voting rights held by the group. The Country of incorporation or registration is also their principal place of business.
The financial statements used for consolidation are for the period April 2022 to September 2022.

(ii) Shareholding in Athena Call Centre Services Private Limited since date of control **(Rs. In Millions)**

Particulars	**FY 2004-05 Till date**
1,00,000* equity shares of Rs.10/- each	1.00
Shareholding by Holding Company	100%

* Out of the above, one share is held by Mrs.Elizabeth Jacob as a Nominee of Athena BPO Private Limited.

B Non-controlling interests (NCI)
There are no subsidiaries which has non-controlling interest

(Rs. In Millions)

35 Disclosure mandated by Schedule III by way of additional information

(A) Net Assets, i.e., total assets minus total liabilities (Equity + other equity)

Name of the entity in the	As at 30 September 2022	
	As % of consolidated net assets	Amount
Holding Company: Athena BPO Private Ltd	93.52%	534.54
Subsidiaries: Athena Call Center Private Ltd	6.65%	38.03
Adjustments on consolidation	-0.17%	(1.00)
Total		**571.57**

(B) Share in profit or loss

Name of the entity in the	For the half year ended 30 September 2022	
	As % of consolidated Other Comprehensive Income	Amount
Holding Company: Athena BPO Private Ltd	95.67%	62.44
Subsidiaries: Athena Call Center Private Ltd	4.33%	2.83
Adjustments on consolidation	0.00%	-
Total		**65.27**

(C) Share in other comprehensive income

Name of the entity in the	For the half year ended 30 September 2022	
	As % of consolidated Other Comprehensive Income	Amount
Holding Company: Athena BPO Private Ltd	90.45%	(1.42)
Subsidiaries: Athena Call Center Private Ltd	9.55%	(0.15)
Adjustments on consolidation	0.00%	-
Total		**(1.58)**

(D) Share in total comprehensive income

Name of the entity in the	For the half year ended 30 September 2022	
	As % of consolidated Other Comprehensive Income	Amount
Parent: Athena BPO Private Ltd	95.80%	61.01
Subsidiaries: Athena Call Center Private Ltd	4.20%	2.68
Adjustments on consolidation	0.00%	-
Total		**63.69**

36 Segment reporting

A Basis for segmentation

The operations of the Group are limited to one segment viz. providing Business Process Outsourcing services in India.

The Chief Operating Decision Maker (CODM) reviews the internal management reports prepared based on agregation of financial information of all entities in the Group (adjusted for intercompany eliminations, adjustments, etc) on periodic basis to make decisions about the resources to be allocated and to assess the performance.

B Information about products and services

The Group provides a single service viz. Business Process Outsourcing services and hence, this reporting is not applicable

C Information about geographical areas

The Group operates only in India and hence, this reporting is not applicable.

D Revenue from Major Customers

Following are the details with respect to the major customers where revenue from each such customer is greater than 10% of the total revenue of the Group.

For the half year ended 30th September 2022 **(Rs. In Millions)**

Sr. No.	Total amount of revenues from each such customer	Segment	Contribution to Revenue
1	240.36	BPO Services	35.75%
2	94.09	BPO Services	13.99%
3	89.47	BPO Services	13.31%
	423.92		**63.05%**

37 The new section Impact and tax ordiance

On September 20, 2019, the Government of India, vide the Taxation laws (Amendment) Ordinance 2019, inserted Section 115BAA in the Income Tax Act, 1961, which provides domestic Companies an option to pay Corporate Tax at reduced rate effective April 1, 2019 subject to certain conditions.

The Holding Company has decided to exercise the option of lower tax rate available under Section 115BAA of the Income Tax Act, 1961, as introduced by Taxation Laws (Amendment) Ordinance, 2019 in the current year. This option was exercised by the subsidairy company in FY 2020-21. Accordingly, the Group has recognized the provision for income tax for half year ended September 30, 2022 and remeasured the accumulated deferred tax asset at September 30, 2022 based on the rate prescribed under Section 115BAA. The resultant impact has been taken through the statement of profit and loss.

38 Utilisation Of Borrowed Funds And Share Premium

(i) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

39 The Group has not traded or invested in any Crypto Currency or Virtual Currency during the financial year.

40 No proceedings have been initiated or pending against the Group for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

41 All applicable cases where registration of charges or satisfaction is required to be filed with Registrar of Companies have been filed.

42 The Group has complied with the number of layers prescribed under clause (87) of Section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017

43 There are no transactions with the Companies whose name are struck off under Section 248 of The Companies Act, 2013 or Section 560 of the Companies Act, 1956 during the half year ended 30th September 2022.

44 The Holding Company and its subsidiary have not granted Loans or Advances in the nature of Loan to its promoters, director, related parties either severally or jointly with any other person.

45 The Holding Company and its subsidiary have not been declared a wilful defaulter by any bank or Financials

As per our report of even date attached.

For Sukhbir & Associates	**For and on behalf of the Board of Directors**	
Chartered Accountants		
S. S. Sahni	**Elizabeth Jacob**	**Nagesh Rao**
(Partner)	**Director & CEO**	**Director & CFO**
Firm Reg. No.: 132961W	DIN: 00095493	DIN: 02083552
Membership No. : 038638		

Place: Mumbai
Date:

RELATED PARTY TRANSACTIONS

For details of related party transactions entered into by our Company in the Financial Years ended March 31, 2020, March 31, 2021, March 31, 2022, and in the six months period ended September 30, 2022, as per Ind AS 24 - Related Party Disclosures read with SEBI ICDR Regulations, see "*Restated Consolidated Financial Information – Related Party Transactions*" on page 346.

OTHER FINANCIAL INFORMATION

Accounting ratios

The accounting ratios derived from Restated Consolidated Financial Information required to be disclosed under the SEBI ICDR Regulations are set forth below:

Particulars	Financial Year ended March 31, 2020	Financial Year ended March 31, 2021	Financial Year ended March 31, 2022	Six months period ended September 30, 2022
Restated Earnings per Equity Share (basic) (in ₹)	6.28	8.53	10.47	3.83*
Restated Earnings per Equity Share (diluted) (in ₹)	6.24	8.47	10.40	3.80*
Net Asset Value per Equity Share (in ₹) (1)	45.31	54.01	64.45	68.52
Return on Net Worth (RoNW) (in %) (2)	13.86	15.79	16.24	5.58
EBITDA (in ₹ million)	597.16	702.24	865.37	471.96

** Not annualised.*

(1) Net asset value per equity share represents restated net worth attributable to equity shareholders of the parent (excluding non-controlling interest) at the end of the year / period divided by numbers of equity share outstanding during the respective year / period.

(2) RoNW is calculated as restated profit for the year / period attributable to equity holders of the parent divided by net worth. Net worth (total equity) means the aggregate of paid up equity share capital and other equity attributable to equity shareholders of the parent (excluding non-controlling interest).

In accordance with the SEBI ICDR Regulations, the audited standalone financial statements as of and for the Financial Years ended March 31, 2020, March 31, 2021 and March 31, 2022 of our Company, and our material subsidiaries, being Avon, Denave and Matrix (collectively, the **"Audited Financial Statements**") are available on our website at www.uds.in.

Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Financial Statements and the reports thereon do not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere.

The Audited Financial Statements and the reports thereon should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company or any entity in which our Shareholders have significant influence and should not be relied upon or used as a basis for any investment decision. None of the entities specified above, nor any of their advisors, nor BRLMs or the Selling Shareholders, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

CAPITALISATION STATEMENT

The following table sets forth our capitalisation as at September 30, 2022, derived from our Restated Consolidated Financial Information:

(in ₹ million)

Particulars	Pre-Offer as at September 30, 2022	As adjusted for the Offer*
Borrowings		
Non-current borrowings (I)	195.28	[●]
Current borrowings (II)	1,502.86	[●]
Total borrowings (III = I + II)	**1,698.14**	**[●]**
Equity		
Equity share capital (IV)	528.18	[●]
Other equity (V)	3,090.95	[●]
Non controlling interest (VI)	53.10	[●]
Total equity (VII = IV + V + VI)	**3,672.23**	**[●]**
Total borrowings / Total equity (VIII = III / VII)	**0.46**	**[●]**
Non-current borrowings / Total equity (IX = I/VII)	**0.05**	**[●]**

** The corresponding post Offer capitalization data is not determinable at this stage pending the completion of the book building process and hence have not been furnished. To be updated upon finalization of the Offer Price.*

*** Current maturities of long term loans are classified as current borrowings.*

Note: Equity share capital does not include for the preferential allotment of 134,988 Equity Shares on March 21, 2023.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS

You should read the following discussion of our financial condition and results of operations together with our Restated Consolidated Financial Information which is included in this Draft Red Herring Prospectus. Our Restated Consolidated Financial Information differs in certain material respects from IFRS, U.S. GAAP and GAAP in other countries, and our assessment of the factors that may affect our prospects and performance in future periods. Accordingly, the degree to which our Restated Consolidated Financial Information will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with Ind AS.

Some of the information in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section "Forward-Looking Statements" on page 20 for a discussion of the risks and uncertainties related to those statements. Our actual results may differ materially from those expressed in or implied by these forward-looking statements as a result of various factors, including those described below and elsewhere in this Draft Red Herring Prospectus. Also read "Risk Factors" and "– Significant Factors Affecting our Results of Operations" on pages 34 and 499, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations.

Unless otherwise indicated or the context otherwise requires, the financial information as of and for the Financial Years ended March 31, 2020, March 31, 2021, and March 31, 2022, and as of and for the six months period ended September 30, 2022 included herein is derived from our Restated Consolidated Financial Information, included in this Draft Red Herring Prospectus. For further information, see "Restated Consolidated Financial Information" on page 277. Further, unless otherwise indicated or the context otherwise requires, all operational information included herein for the Financial Years ended March 31, 2020, March 31, 2021, and March 31, 2022 and the six months period ended September 30, 2022, is on a consolidated basis. Since we acquired Athena post September 30, 2022, we have included proforma consolidated balance sheet to give effect to the impact of this acquisition on our financial position as at March 31, 2022 and as at the six months ended September 30, 2022 as if the acquisition occurred as at March 31, 2022 and as at the six months ended September 30, 2022, respectively. We have also included proforma consolidated statement of profit and loss for the Financial Year ended March 31, 2022 and for the six months period ended September 30, 2022 to give effect to the impact of this acquisition on our results of operations as if it occurred on April 1, 2021 and April 1, 2022, respectively, under "Proforma Financial Information" on page 382. Also see "Risk Factors – The Proforma Financial Information included in this Draft Red Herring Prospectus may not be indicative of our actual results of operations and financial position for such periods or as of such dates, or of expected results of operations in future periods or our future financial position." on page 40. For further details in relation to this acquisition, see "History and Certain Corporate Matters – Details regarding acquisition or divestment of business or undertakings" on page 236.

*Unless otherwise indicated, industry and market data used in this section has been derived from the report "Assessment of Integrated Facilities Management Market in India" dated March 27, 2023 (the "**F&S Report**") prepared and released by Frost & Sullivan and commissioned and paid for by us and prepared exclusively in connection with the Offer. We officially engaged Frost & Sullivan for purposes of commissioning the F&S Report for the Offer pursuant to an engagement letter dated July 9, 2021 and addendum dated August 17, 2022. The F&S Report is available at the following web-link: www.Uds.in/Investor-Relations/Industry_Report. The F&S Report was prepared using publicly available financial information. Frost & Sullivan is not related in any manner to our Company or any of our Directors or Promoters. Unless otherwise indicated, all financial, operational, industry and other related information derived from the F&S Report and included herein with respect to any particular year refers to such information for the relevant calendar year.*

Our Financial Year ends on March 31 of each year. Accordingly, all references to a particular Financial Year are to the 12 months ended March 31 of that year.

Unless the context otherwise requires, in this section, references to "our Company", "the Company", "we", "us" or "our", refers to Updater Services Limited, on a consolidated basis.

Overview

We are a leading, focused, and integrated business services platform in India offering integrated facilities management ("**IFM**") services and business support services ("**BSS**") to our clients, with a pan-India presence.

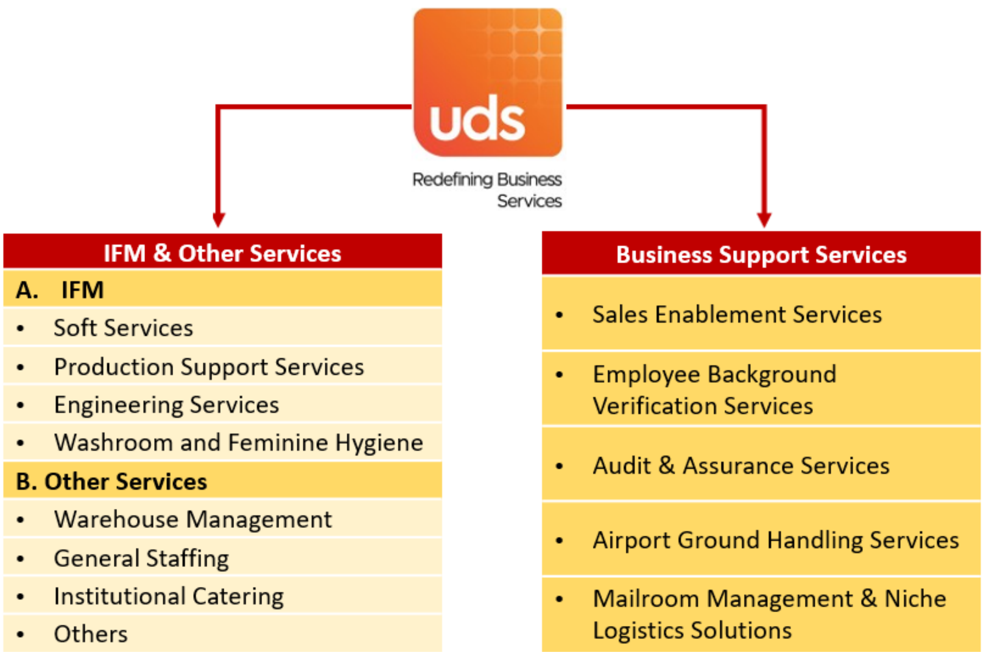
(*Source: F&S Report*) We are the second largest player in the IFM market in India and have the widest service offering in the industry, making us a unique and differentiated player in the market. (*Source: F&S Report*) Within our BSS segment, we offer Audit and Assurance services through our Subsidiary, Matrix and according to F&S Report, Matrix is a leading Audit and Assurance company for dealer / distributor audits, and retail audits and its strong branch reach and field associate reach has driven the company to reach the top spot in India, with a market share of 16.2% in the Financial Year ended March 31, 2022. We also offer employee background verification check services through Matrix and in this segment, Matrix is the third largest company in India with a share of 5.7% in the Financial Year ended March 31, 2022. (*Source: F&S Report*) In addition, we provide sales enablement services through our Subsidiaries Denave and Athena and as per the F&S Report, Denave is the largest player in this segment with a market share of 15.4% in India in the Financial Year ended March 31, 2022. In addition, we offer mailroom management services through our Subsidiary, Avon which is a market leader in India with a share of 15.5% in the mailroom management services market in the Financial Year ended March 31, 2022. (*Source: F&S Report*)

Our Company was founded by Raghunandana Tangirala who has over 30 years of experience in the integrated business services industry. We commenced operations in 1990 as a housekeeping and catering services company situated at Chennai, Tamil Nadu. Over the years, we have evolved into an integrated business services platform with a pan India presence serving customers across industries and business service lines. We are led by a well-qualified and experienced management team, which has robust experience in the sectors in which we operate, and which has demonstrated its ability to manage and grow our operations across segments that we operate in.

We operate in the Business-to-Business ("**B2B**") services space offering a spectrum of business services, which are broadly classified into the two following segments:

3. IFM & Other Services Segment; and
4. BSS Segment

Our portfolio of services, offered across these two business segments, include the following:



The two segments highlighted above are identified based on the manner in which our Company reviews performance, considering the spread of services provided to our customers and the teams that deliver these services. BSS comprises of our five distinct services while all other services are classified as IFM & Other services (which is categorised as integrated facility management services in the financial reporting which include the sub-segments mentioned above).

Brief details of our portfolio of services are set out below:

(iii) ***IFM & Other Services Segment:***

Our IFM services segment primarily comprise:

- *Soft Services:* These include services such as housekeeping and cleaning services, disinfecting and sanitizing services, pest control, horticulture, and facade cleaning. We are the second largest player in the highly fragmented soft services segment market in India with a share of 4.2% in the Financial Year ended March 31, 2022. (*Source: F&S Report*)

- *Production Support Services*: Production support services ("**PSS**") are solutions offered to manufacturing facilities including material handling, material movement, on-site warehouse management, stores and inventory management, production support activities, and equipment maintenance. According to F&S Report, we are the market leader in India in this extremely fragmented segment with a market share of 1.8% in the Financial Year ended March 31, 2022. Our Company is one of the leading PSS providers to the automotive segment in India. (*Source: F&S Report*)

- *Engineering Services:* These mainly comprise services related to mechanical, electrical and plumbing ("**MEP**"). These services, also referred to as hard services, include maintenance, repair, overhaul and performance management of heating, ventilation and air conditioning ("**HVAC**") systems; power equipment such as generators and UPS systems; pumps, sewage treatment plants, fire safety systems, waste management systems as well as the management of annual maintenance contracts for elevators and other building related systems and equipment. Our Company is amongst the top five players in India in the hard services market. (*Source: F&S Report*)

- *Washroom and Feminine Hygiene Care Solutions:* These include feminine hygiene care solutions and products and services such as air fresheners, sanitizers and washroom solutions. Washroom and feminine hygiene care solutions are offered through our Subsidiary, Washroom Hygiene Concept. Washroom Hygiene Concept is the second largest player with revenues of ₹ 8 crore and a market share of 20.0% in the Financial Year ended March 31, 2022. (*Source: F&S Report*)

Our Other services segment primarily comprise:

- *Warehouse Management:* These services comprise deployment of people, equipment and processes to manage customer warehouses and operations within them, which could include material handling, stock keeping, grading and sorting, breaking bulk, repacking, inward and outward dispatches, return logistics, among others.

- *General Staffing:* These are services where field staff are provided to customers for deployment in various roles and who operate under the customer's supervision. These services, offered through our Company as well as through our Subsidiary, Integrated Technical Staffing and Solutions, generally comprise recruitment, payroll and human resource services. These do not constitute a significant part of our portfolio with our focus being on specialty staffing in healthcare, payroll management and field force management.

- *Institutional Catering:* These services, provided through our Subsidiary, Fusion Foods, comprise provision of catering and food services to corporates, educational institutions and industrial facilities.

- *Others:* Other services comprise technology services offered through our Subsidiary, Wynwy and procurement services offered through our Subsidiary, Tangy.

(iv) ***BSS Segment:***

These services comprise:

- *Sales Enablement Services:* These services are mainly provided through our Subsidiaries, Denave and Athena. Denave is a sales enablement B2B company focused on serving global customers across multiple industries including information technology / information technology enabled services ("**IT / ITeS**"), telecom and other industries, through global delivery centres located in India, Malaysia and UK, and also through partners in other parts of the world. Denave, as per the F&S Report, is the largest player in this segment with a market share of 15.4% in India in the Financial Year ended March 31, 2022.

Athena is a B2C outbound tele-sales BPO, focused on the BFSI segment in India. Through these entities, we offer services related to sales, channel management and marketing to IT / technology companies and companies in the consumer durable, fast moving consumer goods ("**FMCG**"), telecom and BFSI industries. Our services include demand generation, lead management, inside sales, data base management services, digital marketing, sales and retail analytics, customer outreach, field force management, field marketing services and outbound tele-sales.

- *Employee Background Verification Check Services:* These services comprise address verification, identity verification, educational qualifications verification, employment history verification, legal case history, among others. These services are offered through our Subsidiary, Matrix, which is the third largest company in India in the segment with a share of 5.7% in the Financial Year ended March 31, 2022. (*Source: F&S Report*)

- *Audit and Assurance Services:* These services – offered through our Subsidiary Matrix – are provided to FMCG and consumer durables companies to ensure the integrity and performance of their distribution, channel and retail management operations. We provide services such as supply chain audit including warehouse depot audit, distributer audit, and retail point audit, among others. We also provide back-office services related to marketing programs and channel partner claim processing to global customers. According to F&S Report, Matrix is a leading Audit and Assurance company for dealer / distributor audits, and retail audits and its strong branch reach and field associate reach has driven the company to reach the top spot in India, with a market share of 16.2% in the Financial Year ended March 31, 2022.

- *Airport Ground Handling Services:* These services include baggage and cargo handling, passenger movement, and aircraft turnaround, among others. Ground handling is a critical activity at an airport and includes baggage and cargo loading and unloading, passenger movement, aircraft clean-ups, in-flight meals loading and unloading, aircraft marshalling and ancillary support services to aircrafts (ground power units, ground air conditioning units), among others. We also provide meet and greet services at various airports around the country. These services are provided through our Subsidiary, Global Flight Handling.

- *Mailroom Management and Niche Logistics Solutions:* These services are mainly provided through our Subsidiary, Avon. Avon is a leading service provider in India and a pioneer in the mailroom and asset movement business. It is the market leader in India with a share of 15.5% in the mailroom management services market in the Financial Year ended March 31, 2022. (*Source: F&S Report*) We leverage this presence to also offer services such as office supplies management, among others. We are not in the core logistics space and hence do not compete with the major companies in warehousing, transport and logistics. Instead, we offer customized and personalized niche logistics solutions for specific needs of our customers.

These services share common characteristics as they are all B2B services which are primarily in the nature of annuity-based services whereby the customer, once acquired, generates revenue over an extended period of time. Our annuity-based model helps in spreading out the customer acquisition costs and offers the opportunity to cross-sell and up-sell other services, thus resulting in a higher wallet share from our customers. Another common characteristic of certain of the services offered by us is that they enable efficiency in business operations for our customers. All of our services are an integral part of our customers' business and assist in forming an important part of our customers' core value creation. These services are also mostly such that they are created and offered through a combination of people, processes and technology. Except catering, none of our offerings involve any raw materials and are therefore not dependent on any commodity cycles or unpredictable input cost variations. Further, most of our offerings do not involve any major deployment of fixed assets and are therefore asset light.

We have witnessed strong growth over the years and as on date, are regarded as a leading company in many of our business areas. (*Source: F&S Report*) Between our IFM & Other services segment and BSS segment, we have a wide range of solutions across physical facilities, business processes, people management, production support, Audit and Assurance services and revenue enhancement, to serve customer needs across segments. During the Financial Years ended March 31, 2020, 2021 and 2022, and in the six months period ended September 30, 2022, our IFM & Other services segment accounted for 91.57%, 90.46%, 79.59% and 71.81% whereas our BSS segment accounted for 8.63%, 9.74%, 20.73% and 28.76%, of our revenue from contracts with customers, respectively.

Our portfolio of services has also evolved over the years to cater to the needs of diverse customer segments across a range of sectors including FMCG, manufacturing and engineering, banking, financial services and insurance ("**BFSI**"), healthcare, information technology / information technology enabled services ("**IT / ITeS**"), automobiles, logistics and warehousing, airports, ports, infrastructure and retail, among others. As on December 31, 2022, we served 2,589 customers across various sectors, including certain marquee global and Indian customers such as Procter & Gamble Home Products Limited ("**P&G**"), Aditya Birla Fashion and Retail Limited ("**ABFRL**"), Microsoft, Hyundai Motor India Limited ("**Hyundai**"), Saint-Gobain India Private Limited ("**Saint-Gobain**"), Tata Consultancy Services Limited ("**TCS**"), Mindtree Limited ("**Mindtree**"), Honda Motorcycle and Scooter India Private Limited ("**Honda**"), IIFL Finance Limited ("**IIFL Finance**"), SBI Life Insurance Company Limited ("**SBI Life Insurance**"), Sony India Private Limited ("**Sony**") and Shriram Transport Finance Company Limited ("**Shriram Transport**"). Our portfolio of services and a diverse customer base have enabled us to design and deliver a range of customized solutions suited to the specific needs of our customers. This range of services has also meant that we are able to cater to a larger set of needs of each customer and thus aim for a larger share of their spends on IFM & Other services, and BSS. As a testimony to the quality of services rendered and to our focus on customer satisfaction, we have been recognized by many of our customers over the years. Some of the more recent recognitions conferred upon us include honour of excellence award from Saint-Gobain for our continued support to their operations through the years 2020 and 2021, service provider of the year award from Expeditors in the year 2021, and award for best engineering service provider from Delhi International Airport Limited in the year 2018.

Over the years, we have grown to become a pan India player, with a widespread network consisting of 4,656 locations (excluding staffing locations) managed from 127 points of presence with 114 offices situated in India and 13 offices situated overseas, as of December 31, 2022. Our widespread network enables us to service a large number of customers and render customized services across India where we are required to provide services as per the specific needs of the customer through a combination of manpower, materials, supervision, technology and economic models.

In addition to growing organically, we have also undertaken acquisition of various businesses over the years where our strategy has been to acquire and integrate businesses that are complementary to ours thereby enabling the creation of a larger business services platform. Whilst we acquired an initial stake in Avon in the Financial Year ended March 31, 2007, some of our recent acquisitions comprise the acquisition of Global Flight Handling in the Financial Year ended March 31, 2019, Matrix in the Financial Year ended March 31, 2020, Washroom Hygiene Concept in the Financial Year ended March 31, 2020, Denave in the Financial Year ended March 31, 2022 and Athena in the Financial Year ended March 31, 2023, and through these strategic investments, we have added higher value added businesses which as a consequence are also higher margin businesses. These acquisitions have been undertaken with a view to not only diversify and broaden our service mix, but also to improve our overall margins and to enable us to move up the value chain in terms of more value added services connected to the customers revenue and growth objectives versus only cost and efficiency objectives. Through these acquisitions, we have added services such as employee background verification check services, Audit and Assurance, feminine hygiene care solutions, sales enablement services and airport ground handling services, amongst others, to our service portfolio. In addition, our acquisition of Denave has allowed us an entry into south-east Asia and certain selected European geographies.

Owing to the COVID-19 pandemic, the operations at the locations of a number of our customers were disrupted and consequently, we witnessed a slight reduction in our revenue from contracts with customers from ₹ 13,148.86 million in the Financial Year ended March 31, 2020 to ₹ 12,100.32 million in the Financial Year ended March 31, 2021. Our total income also consequently reduced from ₹ 13,167.81 million in the Financial Year ended March 31, 2020 to ₹ 12,163.51 million in the Financial Year ended March 31, 2021. However, our total income in the Financial Year ended March 31, 2022 increased to ₹ 14,978.93 million, at 23.15% over our total income in the Financial Year ended March 31, 2021. Set forth below are certain financial information with respect to our two primary segments as per Ind AS 108 – Operating Segments for the Financial Year ended March 31, 2020, 2021, 2022 and for the six months period ended September 30, 2022:

Particulars	**Financial Year ended March 31, 2020**		**Financial Year ended March 31, 2021**		**Financial Year ended March 31, 2022**		**Six months period ended September 30, 2022**	
	₹ in million	**% of Total Segments**	**₹ in million**	**% of Total Segments**	**₹ in million**	**% of Total Segments**	**₹ in million**	**% of Total Segments**
Revenue								
- Integrated Facility Management Services	12,375.75	91.55%	11,220.15	90.44%	12,182.62	79.65%	7,304.30	71.84%
- Business Support Services	1,142.00	8.45%	1,186.13	9.56%	3,112.62	20.35%	2,863.80	28.16%
Total Segments	**13,517.75**	**100.00%**	**12,406.28**	**100.00%**	**15,295.24**	**100.00%**	**10,168.10**	**100.00%**
Adjustments & Eliminations	(349.94)		(242.77)		(316.31)		(203.53)	

Particulars	Financial Year ended March 31, 2020		Financial Year ended March 31, 2021		Financial Year ended March 31, 2022		Six months period ended September 30, 2022	
	₹ in million	% of Total Segments	₹ in million	% of Total Segments	₹ in million	% of Total Segments	₹ in million	% of Total Segments
Total Revenue	**13,167.81**		**12,163.51**		**14,978.93**		**9,964.57**	

Significant Factors Affecting Our Results of Operations and Financial Condition

We believe that the following factors have significantly affected our results of operations and financial condition during the periods under review, and may continue to affect our results of operations and financial condition in the future:

Maintaining our customer relationships

We have over the years established long-term relationships with our customers leading to recurrent business engagements with them. We believe our ability to offer customized services to fit the needs of our customers across various business verticals allows us to deepen our relationships with our customers and enables us to target a greater share of their requirements thereby leading to recurring business. Within the IFM & Other services segment, we offered our services to a total of 1,332 customers with certain of our select customers being TTK Healthcare within healthcare, Saint-Gobain within manufacturing, Hyundai, Honda Motorcycle and Eicher Motors Limited within automobile, Shriram Transport, SBI Life Insurance and IIFL Finance within BFSI, and Sony within consumer products, among others, and within the BSS segment, we offered our services to a total of 1,257 customers with certain of our select customers being More Retail and ABFRL within retail, TCS and Mindtree within IT / ITeS, P&G and Hershey within consumer products, Microsoft within global technology, Logitech within IT and electronics, SpiceJet and AIX Connect within airlines sector and Tata Communications within telecom and communications. This diverse base of customers has allowed us to not only reduce our vulnerabilities to economic cycles but also our dependence on any particular set of customers. We believe that our continued relationships with these customers plays a significant role in our growth and results of operations.

We strongly believe we have been able to retain existing customers and attract new customers because of our brand, strong market position and delivery of quality services. Our value of "*Better Everyday*" means that we focus on quality customer service delivery and operational excellence on a daily basis, thus delivering superior customer service and satisfaction. This also means that we focus sharply on leveraging technology to improve service delivery, improve the visibility of service delivery via dashboards and also improve reliability and cost of service delivery.

We believe that our customer retention levels reflect our ability to provide high quality services, and our consistent customer servicing standards have enabled us to increase our customer dependence on us. This has also allowed us to cross-sell our offerings to our customers thus resulting in a higher wallet share from our customers. We strive to understand our customers' business needs in order to provide customised services and be able to meet their requirements. We anticipate that our offerings, the quality thereof and leadership in key service segments will help us in increasing our share of business amongst our existing customers as well as increase our customer base. However, a slow-down in demand for these customers' services would likely have an adverse effect on our revenues and results of operations.

Market opportunities and industry trends

The outsourced IFM market accounts for 39% of the total market in India and is expected to increase over the forecast period. (*Source: F&S Report*) Commercial, industrial and infrastructure segments are the major end user verticals focusing more on outsourcing the IFM services. (*Source: F&S Report*) Increase in real estate investments would drive the demand for various hard services and the market is expected to grow at a CAGR of 17.1% from the Financial Year ended March 31, 2022 to the Financial Year ended March 31, 2027 and reach ₹ 17,603 crore. (*Source: F&S Report*) The soft services segment market is also forecast to grow at a CAGR of 16.0% from the Financial Year ended March 31, 2022 to the Financial Year ended March 31, 2027 and reach ₹ 35,713 crore. (*Source: F&S Report*) Apart from the above, the increasing demand for integrated facilities management, energy efficiency, stringent quality and compliance standards, and the increased need for mechanized cleaning, are key industry trends which will drive demand for organized integrated facilities management and as a result, is expected to consolidate the business amongst organized players. (*Source: F&S Report*)

India is transitioning towards a formal economy backed by the growth in Goods and Services Tax ("**GST**") registered businesses, digital payment systems, increase in income of taxpayers, enrolment of informal sector workers on numerous government portals like e-Shram, growth in formal banking systems among others. (*Source: F&S Report*) There is also an increase in Employees Provident Fund Organisation ("**EPFO**") beneficiaries, which highlights the growth in labour force is being employed in the formal sector that are regulatory compliant. (*Source: F&S Report*) This shift towards formalization would drive the demand for organized IFM services in the long-term. (*Source: F&S Report*) Further, India's competitive manufacturing segment is driving the adoption of industrialization. Growth in exports, import substitution, increasing internal demand and penetration of contract manufacturing are driving industrialization in India. (*Source: F&S Report*) Digitalization is another trend that is expected to have an impact on our business going forward. Government of India has taken several initiatives to improve digital infrastructure and increase internet access among citizens. (*Source: F&S Report*) Growth in digitalization would lead to the deployment of sophisticated building management systems, which would eventually widen the scope for IFM and BSS companies in the long-term. (*Source: F&S Report*)

In addition, businesses / companies are increasingly using outsourcing of facilities management services as a strategy, to achieve strategic advantages like improving their competitive advantage and achieving market preservation or dominance goals. (*Source: F&S Report*) Outsourcing is evolving rapidly across the world; in the past decade, the main objective of outsourcing was cost optimization but today organizations want to outsource facilities management services to free-up internal resources to deliver strategic value. (*Source: F&S Report*) They are pursuing these objectives by focusing on their core business activities, by acquiring marketable benefits (or by gaining cost efficiencies) from strategic partners, through outsourcing. (*Source: F&S Report*) Further, with changing business dynamics and complexity, many services, such as employee background verification and sales enablement, that were previously performed in-house, are being outsourced. (*Source: F&S Report*) The increase in preference for outsourcing is expected to grow in the long term and this would spike the demand for BSS. (*Source: F&S Report*) As changing market conditions have impacted and transformed the buyer environment, sales enablement service has become critical. (*Source: F&S Report*) Buyers today are aware, and sellers who only provide value stand to achieve business success. (*Source: F&S Report*) The rising need to improve internal business processes and the complementing sales efforts with advanced technology are the key factors driving the growth of sales enablement services market in India. (*Source: F&S Report*)

We believe we are well placed to capitalize on the expected growth in the IFM & Other services segment as well as in the BSS segment owing to our strong brand presence and our ability to effectively undertake our services, by targeting not only our existing customers, but also new customers. We also have a strong business development team with experienced individuals who focus on acquiring new customers across our business segments. As on December 31, 2022, we had 57 employees forming part of this business development team. However, any slowdown in the industries in which our customers operate due to any reasons including recession, pandemic or any other geo-political reasons may adversely impact our growth prospects and the results of operations.

Inorganic growth through strategic acquisitions

We have, in the past, pursued selective strategic acquisitions as a means to expand our operations, enhance our global competitive position and capitalise on potential operational synergies. Our focus has been to acquire companies and businesses whose offerings are complementary and supplementary to ours. All our acquisitions have added either a new customer segment, new service line, or a new geography to us. Certain of our recent acquisitions comprise the acquisition of Matrix, Washroom Hygiene Concept, Global Flight Handling, Denave and Athena pursuant to which, we have been able to add high margin services including such as employee background verification check services, audit and assurance services, feminine hygiene care solutions, sales enablement services and airport ground handling services, among others, to our service portfolio. These acquisitions have also enabled us to leverage the existing businesses and brand equity and to diversify our revenue streams, obtain employee talent and thus expand our presence across the value chain. Consistent with our conservative funding philosophy, these acquisitions have primarily been undertaken through internal accruals rather than through any significant acquisition financing. For details, see "*History and Certain Corporate Matters - Details regarding acquisition or divestment of business or undertakings*" on page 236.

We expect to continue to pursue similar selective strategic acquisitions both in India and outside, for our inorganic growth where our focus will be to identify targets where we can strike a balance between the right price for such target, and the potential benefits of such acquisition. According to Frost & Sullivan, the IFM market in India is highly fragmented and unorganized and small and medium-sized companies dominate majority of the market. However, in recent times there have been several mergers and acquisitions ("**M&A**") indicating a market consolidation. (*Source: F&S Report*) This is driven by the need for an organized approach and demand for professional IFM services. (*Source: F&S Report*) According to Frost & Sullivan, organized players are gaining more popularity in terms of adding more service activities through mergers or tie-ups with regional players. This on-going shift in the market is an outcome of increase in customer awareness about the risks associated with unorganized service providers that are not compliant with the quality and safety standards. (*Source: F&S Report*) Leveraging on this consolidation, we intend to evaluate growth opportunities to inorganically grow our business. We will look to focus on opportunities to undertake acquisitions (i) that allow us to enhance our scale and market position; (ii) that allow us to achieve operating leverage in key markets by unlocking potential efficiency and synergy benefits; (iii) that provide us with a platform to extend our reach to new geographic markets within India and selected overseas markets, particularly for sales enablement, audit and assurance as well as employee background check services; and (iv) that add new services complementary to our service offerings or that allow us to enter strategic businesses to capture additional revenue opportunities from our existing customer base to better our margin profile.

However, acquisitions involve a significant number of challenges, including, the financial impact of the historical liabilities of potential acquisitions, the challenges arising from the integration of the management and personnel of the acquired business, potential issues in relation to migrating or retaining existing customers of the acquired business and local law factors and risks associated with restructuring operations. While we believe that the effect of our acquisitions and the consolidation of the acquired entity's financial results in our consolidated financial statements will strengthen our financial performance, we may be unable to fully realize the anticipated benefits of any future acquisitions successfully within our expected timeframe.

Cost and availability of skilled manpower

The integrated business services we offer are manpower intensive and we hire a considerable number of personnel every year to sustain our growth. For instance, our total number of employees were 57,965 within our IFM & Other services segment and 10,649 within our BSS segment as on December 31, 2022. Our human resource policy focuses on recruiting talented and qualified personnel who would integrate well with our current workforce. We conduct regular training workshops and performance reviews. We endeavour to develop and train our employees in order to facilitate their growth as well as the growth of our operations. The cost of hiring and retaining our personnel affects our profitability, and is affected by a number of factors, including our ability to hire and assimilate new employees in the jurisdictions where we operate; our ability to manage attrition; our need to devote time and resources to training, professional development and other non-chargeable activities; and our ability to manage our workforce. However, if we are unable to recruit and retain a sufficient number of these employees, then our ability to maintain our competitiveness and grow our business could be negatively affected.

We cannot assure you that we will be able to meet our manpower requirements in the future or grow the number of our employees in a consistent manner. Our business operations and financial performance may be adversely affected if we are unable to find sufficient personnel for our businesses. In addition, we must continually evaluate and upgrade our recruiting and training programs to keep pace with changing customer needs and emerging technologies. We may not be able to effectively meet the expectations of our customers due to our failure to identify personnel with the requisite skills, experience or other attributes, and our training programs may not succeed in developing effective skills in a timely manner or at all.

Our expenses towards salaries and wages were ₹ 5,725.06 million, ₹ 9,496.00 million, ₹ 8,754.75 million, and ₹ 9,405.02 million for the six months period ended September 30, 2022 and for the Financial Years ended March 31, 2022, 2021 and 2020, respectively. We believe that our Company's growth and work environment combined with our employee satisfaction rate has allowed us to attract talent on a large scale. In addition, the presence of varied profiles available in our organisation coupled with high growth potential facilitates higher retention of employees. However, increases in our employee benefits payment obligations including due to changes in applicable laws, including minimum wage laws, which we are unable to pass on to our customers, in a timely manner, or at all, could have a significant impact on our total expenses and consequently our financial condition. In addition, we rely on our employees to render services at our customers' premises and in the event our employee relationships deteriorate or if we experience labour unrest, strikes and other labour action, there could be an adverse impact on our delivery of services to customers.

Grow our business through introduction of new products and services

We intend to introduce new products and services to fill gaps in our current portfolio or to enter new segments which we see as potentially large and margin accretive to us. Our strategy on new products and services is constantly evolving basis feedback from our customers and our perception of market trends. Some of these new products and services will be organically developed and in some cases, we will examine an entry through different routes such as partnerships, alliances, minority investments, joint ventures as well as acquisitions. This will be in line with our prior investments and acquisitions such as Matrix and Denave, among others, pursuant to which, we added services such as employee background verification check services, audit and assurance and sales enablement services, amongst others, to our service portfolio. All our acquisitions have added either a new service line, customer segment or a new geography to us. For details, see "*Our Business - Our Strengths - Track record of successful acquisition and integration of high margin business services segments*" on page 206.

Some of the new products and services that we are currently evaluating and that are in various stages of development and introduction are:

- Value added BPO and back-office process outsourcing services across segments;
- Building infrastructure design, installation, maintenance and monitoring in areas such as fire systems and security systems;
- Expansion of audit and assurance related services in other areas of product and process audits, testing, training, compliance and certification;
- Specialized staffing services including IT staffing;
- Expansion of airport based services;
- Value added human resource and employee services; and
- Innovative revenue and demand generation services by leveraging digitization and new emerging technologies.

While we believe each of these areas already command a large market or are expected to grow, in the event we are unable to monetise and/ or sustain our efforts in developing these products and services, our results of operations may be adversely affected. Further, our new services may not satisfy the demands of the market, which may result in an adverse effect on our business, results of operations and financial condition. In addition, we may not be able to accurately anticipate and meet our customers' needs through the development of these new offerings. While our Company will leverage its expertise and experience and will look to make appropriate investments and efforts towards developing these products and services, our Company may deliver varied degrees of success, which may or may not fully satisfy its initial objectives.

Regulatory environment for the labour market in India

We are subject to labour legislations that protect the interests of workers, as well as laws and regulations relating to employee welfare and benefits such as minimum wage and maximum working hours, overtime, working conditions, non-discrimination, employee compensation, employee insurance, bonus, gratuity, provident fund, leave benefits and other such employee benefits. These laws in India are enacted both by the Central Government and the State Governments in India. These laws and regulations vary from state to state in India and are subject to changes. See "*Key Regulations and Policies*" on page 228 for details. These legislations require compliance, from time to time, which may among others, involve payments to be made depending upon their period of employment. If we fail to comply with labour welfare legislations, we may be exposed to fines and we may also face the risk of our licenses under applicable legislations being cancelled or suspended. Further, in the event the welfare requirements under labour regulations applicable to us are changed, which leads to an increase in employee benefits payable by us or results in a or a steep increase in minimum wages payable by us, there can be no assurance that we will be able to recover such increased amounts from our customers in a timely manner, or at all. Our profit margins may get adversely impacted if we are unable to pass on such costs and cost increases to our customers on a concurrent basis.

The Government of India has recently introduced (a) the Code on Wages, 2019 ("**Wages Code**"); (b) the Code on Social Security, 2020 ("**Social Security Code**"); (c) the Occupational Safety, Health and Working Conditions Code, 2020; and (d) the Industrial Relations Code, 2020, which consolidate, subsume and replace numerous existing central labour legislations. While the rules for implementation under these codes, apart from the Code on Wages (Central Advisory Board) Rules, 2021 which prescribes, inter alia, the constitution and functions of the Central Advisory Board set up under the Wages Code, have not been notified, we are yet to determine the impact of all or some such laws on our business and operations which may restrict our ability to grow our business in the future.

Competition

We operate in a competitive environment, and we expect to face greater competition from existing competitors located both in India and globally. We compete with different companies depending on the market and type of products and services currently offered by us. According to Frost & Sullivan, the IFM market is highly competitive with the presence of large number of domestic and a few international companies. Indian IFM market is highly fragmented with close to 270 to 300 companies operating across the country. (*Source: F&S Report*) The market also witnesses the presence of both international and domestic companies. (*Source: F&S Report*) International companies sub-contract majority of their services to gain access to various markets, manpower and customers in the region. (*Source: F&S Report*) The major companies in the IFM market are BVG, Quess Corp, SIS Limited, Sodexo and ISS Facility Services and us. (*Source: F&S Report*)

The BSS market, because of the wide spectrum of services offered, is also highly fragmented in nature. (*Source: F&S Report*) Medium and small companies have a dominating presence in the market in India. (*Source: F&S Report*) This level of market fragmentation, along with growing importance of compliance, is expected to drive market consolidation. (*Source: F&S Report*) Among the BSS companies in the market, few have presence in sales enablement and airport ground handling services. (*Source: F&S Report*) Our Company has the widest service offering, thus positioning us in a unique spot in the business support services market in India. (*Source: F&S Report*) However, the market witnesses the presence of both multinational companies and local companies across various services offered. (*Source: F&S Report*) Our ability to negotiate price with our customers is also impacted by such international and domestic competition.

Further, some of our competitors have more resources than us or have greater financial, technological and other resources, while certain competitors may have lower cost of operations. We also face the risk of our current or prospective customers deciding to utilize their internal workforce or use independent contractors or service providers in the unorganized segment to manage their facilities. We believe that our ability to compete as well as offer competitive prices is highly dependent on our ability to optimize our product and services portfolio. As we continue to expand our operations into new geographies, we are exposed to competition from newer players. There can be no assurance that we will be able to successfully compete with our competitors or be able to sell our products at desired margins. Enhanced competitive presence could manifest itself in various ways such as pricing pressure, increased competition for customer acquisition and retention, competitive product and service offerings with enhanced features and also competitive pressure on talent acquisition and retention thereby leading to enhanced costs. Also see "*Risk Factors – The industries in which we operate are intensely competitive and have low barriers to entry in certain instances. Our inability to compete effectively may adversely affect our business, cash flows, results of operations and financial condition.*" on page 35.

Impact of COVID-19 pandemic particularly on our soft and hard services

On account of the COVID-19 pandemic, the governments of many countries, including India, had taken and may continue to take preventive or protective actions, such as imposing country-wide lockdowns, restrictions on travel and business operations and advising or requiring individuals to limit their time outside of their homes. Temporary closures of businesses were ordered and numerous other businesses were temporarily closed on a voluntary basis as well.

Certain services within our IFM services segment were severely impacted in particular during the first quarter of the Financial Year ended March 31, 2021 as, owing to the COVID-19 pandemic, the operations at the locations of a number of our customers were disrupted in response to the government-mandated lockdown. As a consequence of this and a reduction of manpower, our revenue from contracts with customers and profitability were adversely impacted in the Financial Year ended March 31, 2021. We witnessed a slight reduction in our total income from ₹ 13,167.81 million in the Financial Year ended March 31, 2020 to ₹ 12,163.51 million in the Financial Year ended March 31, 2021. Our revenue from contracts with customers for the Financial Years ended March 31, 2020 and 2021 were ₹ 13,148.86 million and ₹ 12,100.32 million, whereas our restated profit for the Financial Years ended March 31, 2020 and 2021 were ₹ 330.78 million and ₹ 475.61 million, respectively. Subsequently, our revenue from contracts with customers and our restated profit for the year increased in the Financial Year ended March 31, 2022 to ₹ 14,835.52 million and ₹ 573.69 million, respectively. In the six months period ended September 30, 2022, our revenue from contracts with customers and our restated profit for the year were ₹ 9,851.16 million and ₹ 201.93 million, respectively.

We had considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, unbilled revenues and investments, property, plant and equipment, right of use assets and intangible assets including goodwill. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, we had used internal and external sources of information including credit reports and related information and economic forecasts. Basis such evaluation, our management did not expect any adverse impact on its future cash flows and shall be able to continue as a going concern and meet its obligations as and when they fall due. The impact of COVID-19 may differ from that estimated and we will continue to monitor future economic conditions for any significant change.

The demand for our products and services is dependent on and directly affected by factors affecting industries where our products and services are applied. Our customers are typically engaged in various industries, including such as healthcare, manufacturing, automobile, BFSI and consumer products. A resurgence of the virus or a variant of the virus that causes a rapid increase in cases and deaths, may cause significant economic disruption in India and in the rest of the world and lockdowns may be re-introduced in the future and this may consequently have a bearing on our results or operations and profitability. Also see "*Risk Factors – The COVID-19 pandemic, or a similar public health threat, has had an impact and could further impact our business, cash flows, financial condition and results of operations.*" on page 45.

Significant Accounting Policies

The notes to the Restated Consolidated Financial Information included in this Draft Red Herring Prospectus contain a summary of our significant accounting policies. Set forth below is a summary of our most significant accounting policies adopted in preparation of the Restated Consolidated Financial Information.

Summary of Significant accounting policies

a. Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable.

However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits, respectively.
- Potential tax effects of temporary differences and carry forwards of an acquiree that exist at the acquisition date or arise as a result of the acquisition are accounted in accordance with Ind AS 12.
- Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.
- Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.
- Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances, and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

b. Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or consumed in normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The group has identified twelve months as its operating cycle.

c. Foreign currencies

The Group's restated consolidated financial statements are presented in INR, which is also the parent company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation.

Transactions and Balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Group uses average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in restated consolidated summary statement of profit or loss with the exception of the following:

- Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognised in profit or loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the restated consolidated financial statements that include the foreign operation and the reporting entity (e.g., Restated Consolidated Summary Statements when the foreign operation is a subsidiary), such exchange differences are recognised initially in OCI. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.
- Exchange differences arising on monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss.
- Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of advance consideration.

Group companies

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit and loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit and loss.

Any goodwill arising in the acquisition/ business combination of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

Any goodwill or fair value adjustments arising in business combinations/ acquisitions, which occurred before the date of transition to Ind AS (1 April 2015), are treated as assets and liabilities of the entity rather than as assets and liabilities of the foreign operation. Therefore, those assets and liabilities are non-monetary items already expressed in the functional currency of the parent and no further translation differences occur.

Gain or loss on a subsequent disposal of any foreign operation excludes translation differences that arose before the date of transition but includes only translation differences arising after the transition date.

d. Property, plant, and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

The cost of property, plant and equipment not ready for intended use before such date is disclosed under capital work-in-progress. Items that are not yet ready to use and have an economic benefit of more than one year have been disclosed under capital work-in-progress.

For depreciation purposes, the group identifies and determines cost of asset significant to the total cost of the asset having useful life that is materially different from that of the life of the principal asset and depreciates them separately based on their specific useful lives. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure, are charged to the statement of profit and loss for the period during which such expenses are incurred.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

The Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 1, 2017 (the transition date) measured as per the previous GAAP and use such carrying value as its deemed cost as of the transition date.

Depreciation

The group, based on technical assessment made by specialist and management estimates, depreciates certain items of property, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013 based on the pattern of consumption of such assets and having regard to the nature of assets in this industry. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Depreciation is calculated on a written down value basis/straight line basis that closely reflects the expected pattern of consumption of future economic benefits embodied in the respective assets over the estimated useful lives of the assets.

Asset Classification	Estimated Useful Life (Years)	Schedule II Life (years)
Plant and machinery	5	15
Furniture and fittings	10	10
Office equipment	5	5
Vehicles	8	8
Computer and accessories	3	3
Building	30	30
Leasehold improvements #	1-5 years	NA

 # Leasehold Improvements are depreciated over the leasehold period or useful life estimated by management whichever is lesser.

The residual values, useful lives, and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

e. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The Group has elected to continue with the carrying value of all of its intangible assets recognised as of April 1, 2017 (the transition date) measured as per the previous GAAP and use such carrying value as its deemed cost as of the transition date.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss. when the asset is derecognised.

Asset Classification	Useful Life (Years)	Amortisation method	Internally generated or acquired
Software	3 to 10 years	Amortised on a straight-line basis over the life	Acquired
Goodwill	Indefinite	Assessed for impairment at the end of every year	Acquired
Customer Relationship	5 – 8.5 years	Amortised on a straight-line basis over the life	Acquired
Non-compete	8 – 10 years	Amortised on a straight-line basis over the life	Acquired
Vendor Contract	5 years	Amortised on a straight-line basis over the life	Acquired
Brand	Indefinite	Assessed for impairment at the end of every year	Acquired

f. Impairment of non-financial assets

The group assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, the group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an assets or cash-generating units (CGU) fair value less cost of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the group's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the services, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses including impairment on inventories, are recognized in the statement of profit and loss. After impairment, depreciation / amortization is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment for assets excluding goodwill is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the group estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation / amortization, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss.

g. Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Group has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to credit risks.

Goods and Service Tax (GST) is not received by the Company on its own account. Rather, it is the tax collected on value added on the services and commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The Company's receivables are rights to consideration that are unconditional. Unbilled revenues comprising revenues in excess of invoicing are classified as financial asset when the right to consideration is unconditional and is due only after a passage of time. It is presented under trade receivables. If contractual right is conditional as the right to consideration is dependent on completion of contractual obligations including right to receive the reimbursement of gratuity cost from the customers, then such assets are classified as contract assets. Invoicing in excess of revenues is classified as contract liabilities (referred to as income received in advance).

Revenue is adjusted for expected price concessions from customers based on assumptions relating to risk of credit notes issued. The Group uses judgment in making these assumptions and selecting the inputs to the calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

The following revenue recognition criteria should be applied for the accounting of the below mentioned services.

Income from facility management services

Revenues from facility management service contracts are recognized pro-rata over the period of the contract as and when services are rendered and are net of discounts.

Income from Mailroom services / Courier services

Mailroom services consist of in-house operations of mail room and mail delivery including inter-office mails. It involves MIS generation, cost management, vendor management, inbound and outbound mail management, and pre-processing of mails. Revenue from mailroom services is accounted as and when the related services are rendered and is net of discounts and taxes.

Mail logistics / Courier services and pickup & delivery services refer to packing and delivery of goods' articles. Revenue from such services is recognized as the related services are rendered in accordance with the terms and conditions of the contract/agreement with the customer.

Sales Enablement and other staffing services

Revenues from knowledge process outsourcing, human resource outsourcing service contracts are accounted on accrual basis on performance of the services agreed in the contract with the customers.

Audit & Assurance and Employee Background Verification Services

The Groups revenue comprises of Audit and Assurance (A&A) and Employee Background Verification (EBGV) services for customers in India and outside India. Agreements with customers are either on a fixed price – fixed time frame or on a time- and - material basis. Revenue on time-and-material basis contracts is recognised as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognised as unbilled revenue. Revenue from time bound fixed price contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the proportionate completion method to the extent of cost incurred. When there is uncertainty as to the measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.

Dividend income

Dividend income is recognised when the unconditional right to receive the payment is established.

Interest income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Finance income" in the statement of profit and loss.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Upon completion of the service period and acceptance by the customer (generally by confirming the attendance records), the amount recognised is reclassified to trade receivables.

Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets in section f. *"Financial instruments – initial recognition and subsequent measurement."*

Trade receivables

A receivable represents the group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Refund Liabilities

A refund liability is recognised for the obligation to refund some, or all of the consideration received (or receivable) from the customer. The Group's refund liabilities arise from customers' right of return and volume rebates. The Group updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the group transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the group performs under the contract.

h. Inventories

Inventories are valued at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- **Raw materials:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis.
- **Finished goods and work in progress:** cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost is determined on first in, first out basis.
- **Traded goods:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

i. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) is recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Effective interest method

The effective interest method (EIR) is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives, and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A ‘debt instrument’ is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method. The Group does not have any debt instrument as at FVTOCI.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L. The Group does not have any debt instrument at FVTPL.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and "contingent consideration classified as liability" recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, entities in the Group have made an irrevocable election to present in other comprehensive income subsequent changes in the fair value. Such election is made on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated balance sheet) when:
The rights to receive cash flows from the asset have expired, or

The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the group has transferred substantially all the risks and rewards of the asset, or (b) the group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement.

In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the group could be required to repay.

Impairment of financial assets

The Group applies expected credit loss model for recognising impairment loss on financial assets measured at amortised cost.

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Provision for ECL is recognised for financial assets measured at amortised cost and fair value through other comprehensive income. It is the Group's policy to measure ECLs on financial assets on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL.

For recognition of impairment loss on other financial assets, the Group determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Group reverts to recognising impairment loss allowance based on 12-month ECL.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as expenses in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L.

Reclassification of financial assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortized cost, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, borrowings including bank overdrafts, redemption liability and financial guarantee contracts.

Subsequent measurement

All financial liabilities except derivatives are subsequently measured at amortised cost using the effective interest rate method or at Fair Value through profit and loss.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Group has not designated any financial liability as at fair value through profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged, cancelled, or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Liability towards unacquired shares of subsidiary:

The Group has elected not to recognise a non-controlling interest in subsidiaries where the group has a right / obligation to purchase the shares held by NCI. The Group has chosen to base its accounting policy on Ind AS 32, i.e., Ind AS 32 takes precedence over Ind AS 110. Consequently, any contractual obligation to purchase NCI, such as an NCI put, gives rise to a financial liability measured at the present value of the redemption amount which is subsequently measured in accordance with Ind AS 109.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Derivative Financial Instruments

The Group uses derivative financial instruments, such as forward currency contracts, interest rate swaps and forward commodity contracts, to hedge its foreign currency risks, interest rate risks and commodity price risks, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The purchase contracts that meet the definition of a derivative under Ind AS 109 are recognised in the statement of profit and loss. Commodity contracts that are entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the Group’s expected purchase, sale or usage requirements are held at cost.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment.
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.
- Hedges of a net investment in a foreign operation

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged, and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is an economic relationship' between the hedged item and the hedging instrument.
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

(i) Fair value hedges

The change in the fair value of a hedging instrument is recognised in the statement of profit and loss as finance costs. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the statement of profit and loss as finance costs.

For fair value hedges relating to items carried at amortised cost, any adjustment to carrying value is amortised through profit or loss over the remaining term of the hedge using the EIR method. EIR amortisation may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.

If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss.
When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in profit or loss.

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the Effective portion of cash flow hedges, while any ineffective portion is recognised immediately in the statement of profit and loss. The Effective portion of cash flow hedges is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

The Group uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments, as well as forward commodity contracts for its exposure to volatility in the commodity prices. The ineffective portion relating to foreign currency contracts is recognised in finance costs and the ineffective portion relating to commodity contracts is recognised in other income or expenses.

The Group designates only the spot element of a forward contract as a hedging instrument. The forward element is recognised in OCI.

The amounts accumulated in OCI are accounted for, depending on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item, the amount accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of the hedged asset or liability. This is not a reclassification adjustment and will not be recognised in OCI for the period. This also applies where the hedged forecast transaction of a non-financial asset or non-financial liability subsequently becomes a firm commitment for which fair value hedge accounting is applied.

For any other cash flow hedges, the amount accumulated in OCI is reclassified to profit or loss as reclassification adjustment in the same period or periods during which the hedged cash flows affect profit or loss.

If cash flow hedge accounting is discontinued, the amount that has been accumulated in OCI must remain in accumulated OCI if the hedged future cash flows are still expected to occur. Otherwise, the amount will be immediately reclassified to profit or loss as a reclassification adjustment. After discontinuation, once the hedged cash flow occurs, any amount remaining in accumulated OCI must be accounted for depending on the nature of the underlying transaction as described above.

Hedges of a net investment

Hedges of a net investment in a foreign operation, including a hedge of a monetary item that is accounted for as part of the net investment, are accounted for in a way similar to cash flow hedges. Gains or losses on the hedging instrument relating to the effective portion of the hedge are recognised as OCI while any gains or losses relating to the ineffective portion are recognised in the statement of profit or loss. On disposal of the foreign operation, the cumulative value of any such gains or losses recorded in equity is reclassified to the statement of profit and loss (as a reclassification adjustment).

j. Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i. Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a written-down value basis/straight line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Asset Classification	Estimated Useful Life (Years)
Building	1 – 5
Vehicles	1 – 3
Furniture and fittings	1 – 2

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (d) Impairment of non-financial assets.

ii. Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii. Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of Buildings and Machinery and Equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

k. Retirement and other employee benefits

a. Compensated absences

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The group treats accumulated leave expected to be carried forward beyond twelve months, as non-current employee benefit for measurement purposes. Such non-current compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Remeasurement actuarial gains / losses are immediately taken to the statement of profit and loss and are not deferred.

b. Post-employment obligations

The group operates the following post-employment schemes:

i. Gratuity obligations

Gratuity liability under the Payment of Gratuity Act, 1972 is a defined benefit obligation. The Plan provides payment to vested employees at retirement, death, or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The group provides the gratuity benefit through annual contribution to a fund managed by the Life Insurance Corporation of India (LIC). Under this scheme the settlement obligation remains with the group although the LIC administers the scheme and determines the contribution premium required to be paid by the group. The cost of providing benefits under this plan is determined on the basis of actuarial valuation at each year-end using the projected unit credit method.

In addition to the above, the group recognises its liability in respect of gratuity for employees (where customer reimburses gratuity) and its right of reimbursement as an asset. Employee benefits expense in respect of gratuity to employees and reimbursement right is presented in accordance with Ind AS – 19.

Remeasurement, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurement is not reclassified to profit or loss in subsequent periods.

Past service cost is recognised in profit or loss on the earlier of the date of the plan amendment or curtailment, and the date that the group recognises related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs and
- Net interest expense or income.

ii. Retirement benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The group has no obligation, other than the contribution payable to the provident fund. The group recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

l. Taxes

Current income tax

Income tax expense comprises current tax expense and deferred tax charge or credit during the year. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the group operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

The group shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

Deferred tax

Deferred tax is recognised using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax asset is recognised for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Group recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the group recognizes MAT credit as a deferred tax asset. The group reviews the “MAT credit entitlement” asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

The carrying amount of deferred tax assets is reviewed at each reporting date and written off to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

m. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

The Company is availing of benefits under a government scheme - Pradhan Mantri Rojgar Protsahan Yojana (PMRPY) wherein the Central Government is paying the employer’s contribution towards Employee Pension Scheme / Provident Fund in respect of new employees meeting specified criteria. The same is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

n. Financial guarantee contracts

Financial guarantee contracts issued by the group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

o. Fair value measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest. The principle or the most advantageous market must be accessible by the group.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Involvement of external valuers is decided upon annually by the Group. At each reporting date, the Group analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the accounting policies. For this analysis, the Group verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents. Other fair value related disclosures are given in the relevant notes.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

p. Segment reporting

Segments are identified based on the manner in which the Chief Operating Decision Maker ('CODM') decides about resource allocation and reviews performance. Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. The Managing Director of the Group has been identified as being the chief operating decision maker (CODM), he evaluates the Group's performance, allocate resources based on the analysis of the various performance indicator of the Group into two segments viz. ‘Integrated Facility Management Services’ and ‘Business Support Services’.

q. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holder of parent company (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss before OCI for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

r. Dividend

The Company recognises a liability to pay dividend to equity holders of the parent when the distribution is authorised, and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

s. Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

The amount recognised as a provision is the best estimate of the consideration required to settle present obligation at the end of reporting period, taking into account the risk and uncertainty surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of these cash flows (when the effect of the time value of money is material). When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of receivable can be measured reliably.

Onerous Contract

If the Group has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Group recognises any impairment loss that has occurred on assets dedicated to that contract.

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Group cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities).

t. Contingent liabilities & Contingent Assets

Contingent liability is disclosed for,

(i) Possible obligation which will be confirmed only by future events not wholly within the control of the group or

(ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are not recognised in the financial statements.

Contingent assets are disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

u. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above. Bank overdrafts are shown within borrowings in financial liabilities in the balance sheet.

v. Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

w. Share-based payments

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit and loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Non-GAAP Measures

total income (excluding finance income), earnings before interest tax depreciation and amortization ("**EBITDA**"), adjusted EBITDA, earnings before interest and tax ("**EBIT**"), adjusted EBIT, capital employed, return on capital employed ("**ROCE**"), adjusted ROCE, total borrowings / equity, non current borrowings / equity, return on equity, net worth, net debt (cash), net debt (cash) / equity, net debt (cash) / adjusted EBITDA and total material cost, among others, which are derived from the Restated Consolidated Financial Information (collectively, the "**Non-GAAP Measures**") presented in this Draft Red Herring Prospectus are a supplemental measure of our performance and liquidity that are not required by, or presented in accordance with, Ind AS, Indian GAAP, or IFRS. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, or IFRS and should not be considered in isolation or construed as an alternative to cash flows, profit / (loss) for the year / period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, or IFRS. In addition, these Non-GAAP Measures are not a standardised term and, therefore, a direct comparison of similarly titled Non-GAAP Measures between companies may not be possible. Other companies may calculate the Non-GAAP Measures differently from us, limiting their usefulness as a comparative measure. Although the Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that they are useful to an investor in evaluating us because these are widely used measures to evaluate a company's operating performance.

Also see "*Risk Factors – Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance have been included in this Draft Red Herring Prospectus. These non-GAAP financial measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable.*" on page 63.

Reconciliation of total income to total income (excluding finance income), Reconciliation of profit for the year / period to EBITDA and Adjusted EBITDA derived from the Restated Consolidated Financial Information

(*₹ in million, except percentages*)

Particulars	Financial Year ended March 31 2020	Financial Year ended March 31 2021	Financial Year ended March 31 2022	Six months period ended September 30, 2022*
Total income (A)	13,167.81	12,163.51	14,978.93	9,964.57
Finance income (B)	7.09	21.59	60.07	28.49
Total Income (excluding Finance Income) (C=A-B)	**13,160.71**	**12,141.92**	**14,918.86**	**9,936.08**
Restated profit for the year/period (D)	330.78	475.61	573.69	201.93
Finance costs (E)	76.01	29.71	50.68	47.59
Depreciation and amortization expense (F)	161.67	149.86	165.34	142.89
Income tax expense (G)	35.79	68.65	135.72	108.04
Finance income (H)	7.09	21.59	60.07	28.49
EBITDA (I=D+E+F+G-H)	**597.16**	**702.24**	**865.37**	**471.96**
EBITDA Margin (I)/(C)	**4.54%**	**5.78%**	**5.80%**	**4.75%**
Employee Stock Option Expenses (J)	32.56	1.49	8.12	5.91
Fair value changes in liability payable/paid to promoters of acquired subsidiary (K)	29.37	38.75	213.48	274.38
Liability payable to promoters of acquired subsidiary no longer required to be written back (L)	-	19.74	-	-
Adjusted EBITDA (M=I+J+K-L)	**659.09**	**722.74**	**1,086.97**	**752.25**
Adjusted EBITDA Margin (M)/(C)	**5.01%**	**5.95%**	**7.29%**	**7.57%**

Note:

Fair value changes in liability payable/paid to promoters of acquired Subsidiary and liability payable to promoters of acquired Subsidiary no longer required to be written back represents increase or decrease in liability payable / paid to promoters of Subsidiary for the balance stake to be acquired / acquired in Matrix Business Services India Private Limited, Washroom Hygiene Concepts Private Limited, Global Flight Handling Services Private Limited and Denave India Private Limited, based on fair valuation or settlement. This is non-recurring/ non-operational in nature and may arise only if there is a variation of performance in partially acquired entities or if we undertake any further acquisitions under a similar transaction structure.

** Calculated for six months ended September 30, 2022, and is not annualised.*

Reconciliation of Profit for the year/period to EBIT and Adjusted EBIT, reconciliation of Total Equity to Capital Employed and computation of Return on Capital Employed, Adjusted Return on Capital Employed and Total Borrowings/Equity and Non-Current Borrowings / Equity:

(₹ in million, except percentages)

Particulars	Financial Year ended March 31 2020	Financial Year ended March 31 2021	Financial Year ended March 31 2022	Six months period ended September 30, 2022*
Restated profit for the year / period (A)	**330.78**	**475.61**	**573.69**	**201.93**
Income tax expense (B)	35.79	68.65	135.72	108.04
Finance costs (C)	76.01	29.71	50.68	47.59
Finance Income (D)	7.09	21.59	60.07	28.49
Earnings before interest and tax (EBIT) (E= A+B+C-D)	**435.49**	**552.38**	**700.03**	**329.07**
Employee Stock Option Expenses (F)	32.56	1.49	8.12	5.91
Fair value changes in liability payable/paid to promoters of acquired subsidiary (G)	29.37	38.75	213.48	274.38
Liability payable to promoters of acquired subsidiary no longer required written back (H)	-	19.74	-	-
Adjusted EBIT (I=E+F+G-H)	**497.42**	**572.88**	**921.62**	**609.36**
Total equity (J)	2,438.77	2,921.91	3,457.36	3,672.23
Non-current borrowings (K)	0.09	-	-	195.28
Current borrowings (L)	899.52	116.10	586.79	1,502.86
Lease Liabilities Current (M)	31.88	21.75	47.69	54.84
Lease Liabilities Non- Current (N)	39.45	23.19	78.68	75.31
Cash and cash equivalents (O)	172.99	445.83	572.86	1,284.64
Bank balance other than cash and cash equivalents (P)	73.63	192.27	137.31	241.50
Capital Employed (Q= J+K+L+M+N-O-P)	**3,163.09**	**2,444.85**	**3,460.35**	**3,974.38**
Total Borrowings / Equity ((K+L)/J)	**0.37**	**0.04**	**0.17**	**0.46**
Non-Current Borrowings / Equity (K/J)	**0.00**	**-**	**-**	**0.05**
Return on Capital Employed (%) (E/Q)	**13.77%**	**22.59%**	**20.23%**	**8.28%**
Adjusted Return on Capital Employed % (I/Q)	**15.73%**	**23.43%**	**26.63%**	**15.33%**

Note:

1) Return on capital employed (%) is calculated as EBIT divided by capital employed. EBIT is calculated as restated profit / (loss) for the period / year plus total tax expense / (credit) and finance costs less finance income. Capital employed is calculated as total equity plus current borrowings plus non current borrowings plus lease liabilities less cash and cash equivalents less bank balance other than cash and cash equivalents.

2) Fair value changes in liability payable/paid to promoters of acquired Subsidiary and liability payable to promoters of acquired Subsidiary no longer required to be written back represents increase or decrease in liability payable / paid to promoters of Subsidiary for the balance stake to be acquired / acquired in Matrix Business Services India Private Limited, Washroom Hygiene Concepts Private Limited, Global Flight Handling Services Private Limited and Denave India Private Limited based on fair valuation or settlement. This is non-recurring / non-operational in nature and may arise only if there is a variation of performance in partially acquired entities or if we undertake any further acquisitions under a similar transaction structure.

3) Adjusted Return on Capital Employed is calculated as Adjusted EBIT divided by Capital Employed. Capital Employed is calculated as total equity plus current borrowings plus non current borrowings plus lease liabilities less cash and cash equivalents less Bank balance other than cash and cash equivalents.

** Calculated for six months ended September 30, 2022 and is not annualised.*

Reconciliation of Restated profit for the year / period to Return on Equity

(₹ *million, except percentage*)

Particulars	Financial Year ended March 31 2020	Financial Year ended March 31 2021	Financial Year ended March 31 2022	Six months period ended September 30, 2022*
Restated Profit for the year/ period attributable to Equity holders of the parent (A)	331.80	450.34	552.91	202.09
Equity attributable to equity holders of the parent (B)	2,393.33	2,852.63	3,404.27	3,619.13
Return on Equity (A / B) (%)	**13.86%**	**15.79%**	**16.24%**	**5.58%**

Note:
Return on Equity is calculated as Restated Profit for the year/ period attributable to Equity holders of the parent divided by Equity attributable to equity holders of the parent
** Calculated for six months ended September 30, 2022 is not annualised.*

Reconciliation of Net Worth

(₹ in million)

Particulars	Financial Year ended March 31 2020	Financial Year ended March 31 2021	Financial Year ended March 31 2022	Six months period ended September 30, 2022
Equity Share capital (A)	528.18	528.18	528.18	528.18
Other Equity (B)	1,865.15	2,324.45	2,876.09	3,090.95
Net Worth (A+B)	**2,393.33**	**2,852.63**	**3,404.27**	**3,619.13**

Note: Net Worth is calculated as sum of Equity Share capital and Other Equity

Reconciliation of Total Borrowings to Net Debt (cash) and computation of Net Debt (cash) / Equity Ratio

(₹ in million, except percentages)

Particulars	Financial Year ended March 31 2020	Financial Year ended March 31 2021	Financial Year ended March 31 2022	Six months period ended September 30, 2022
Non-current borrowings (A)	0.09	-	-	195.28
Current Borrowings (B)	899.52	116.10	586.79	1,502.86*
Total Borrowings (C=A+B)	**899.61**	**116.10**	**586.79**	**1,698.14**
Cash and cash equivalent (D)	172.99	445.83	572.86	1,284.64
Bank Balances other than Cash & cash equivalent (E)	73.63	192.27	137.31	241.50
Net Debt (Cash) (F=C-D-E)	**652.99**	**(522.00)**	**(123.38)**	**172.00**
Equity attributable to equity holders of the parent (G)	2,393.33	2,852.63	3,404.27	3,619.13
Net Debt (Cash) / Equity (F/G)	**0.27**	**(0.18)**	**(0.04)**	**0.05**

** Includes ₹ 70.49 million of current maturities of long term borrowings.*

Reconciliation of Total Borrowings to Net Debt (cash) and computation of Net Debt (cash) / Adjusted EBITDA

(₹ in million, except percentages)

Particulars	Financial Year ended March 31 2020	Financial Year ended March 31 2021	Financial Year ended March 31 2022	Six months period ended September 30, 2022*
Non-current borrowings (A)	0.09	-	-	195.28
Current Borrowings (B)	899.52	116.10	586.79	1,502.86**
Total Borrowings (C=A+B)	**899.61**	**116.10**	**586.79**	**1,698.14**
Cash and cash equivalent (D)	172.99	445.83	572.86	1,284.64
Bank Balances other than Cash & cash equivalent (E)	73.63	192.27	137.31	241.50
Net Debt (Cash) (F=C-D-E)	**652.99**	**(522.00)**	**(123.38)**	**172.00**
Restated profit for the year/period (G)	330.78	475.61	573.69	201.93
Finance costs (H)	76.01	29.71	50.68	47.59
Depreciation and amortization	161.67	149.86	165.34	142.89

(₹ in million, except percentages)

Particulars	Financial Year ended March 31 2020	Financial Year ended March 31 2021	Financial Year ended March 31 2022	Six months period ended September 30, 2022*
expense (I)				
Income tax expense (J)	35.79	68.65	135.72	108.04
Finance income (K)	7.09	21.59	60.07	28.49
EBITDA (L=G+H+I+J-K)	**597.16**	**702.24**	**865.37**	**471.96**
Employee Stock Option Expenses (M)	32.56	1.49	8.12	5.91
Fair value changes in liability payable/paid to promoters of acquired subsidiary (N)	29.37	38.75	213.48	274.38
Liability payable to promoters of acquired subsidiary no longer required to be written back (O)	-	19.74	-	-
Adjusted EBITDA (P= L+M+N-O)	**659.09**	**722.74**	**1,086.97**	**752.25**
Net Debt (cash) / adjusted EBITDA (F/P)	**0.99**	**(0.72)**	**(0.11)**	**0.23***

** Calculated for six months ended September 30, 2022 and is not annualised.*
*** Includes ₹ 70.49 million of current maturities of long term borrowings*
Note: Fair value changes in liability payable/paid to promoters of acquired Subsidiary and liability payable to promoters of acquired Subsidiary no longer required to be written back represents increase or decrease in liability payable / paid to promoters of Subsidiary for the balance stake to be acquired / acquired in Matrix Business Services India Private Limited, Washroom Hygiene Concepts Private Limited, Global Flight Handling Services Private Limited and Denave India Private Limited based on fair valuation or settlement. This is non-recurring / non-operational in nature and may arise only if there is a variation of performance in partially acquired entities or if we undertake any further acquisitions under a similar transaction structure.

Reconciliation of cost of material consumed to total material cost

(₹ in million)

Particulars	Financial Year ended March 31 2020	Financial Year ended March 31 2021	Financial Year ended March 31 2022	Six months period ended September 30, 2022
Cost of materials consumed (A)	454.22	275.92	387.20	251.77
Purchases of traded goods (B)	19.51	24.55	19.71	12.76
Changes in inventories of finished goods and traded goods (C)	(29.38)	15.61	(13.44)	12.72
Total material cost (A+B+C)	**444.35**	**316.08**	**393.47**	**277.24**

Proforma Financial Measures

Since we acquired Athena post September 30, 2022, this Draft Red Herring Prospectus also includes proforma consolidated balance sheet to give effect to the impact of this acquisition on our financial position as at March 31, 2022 and as at the six months ended September 30, 2022 as if the acquisition occurred as at March 31, 2022 and as at the six months ended September 30, 2022, respectively. We have also included proforma consolidated statement of profit and loss for the Financial Year ended March 31, 2022 and for the six months period ended September 30, 2022 to give effect to the impact of this acquisition on our results of operations as if it occurred on April 1, 2021 and April 1, 2022, respectively. Set out below are certain other measures with respect to our Company, as at and for the Financial Year ended March 31, 2022 and as at and for the six months period ended September 30, 2022, based on our Proforma Financial Information.

Particulars	For Financial Year ended March 31, 2022 (Proforma) (₹ in million)	For six months period ended September 30, 2022 (Proforma)* (₹ in million)
Total income (A)	16,139.17	10,640.35
Finance income (B)	60.07	28.49
Total Income (excluding Finance Income) (C=A-B)	**16,079.10**	**10,611.86**

Particulars	For Financial Year ended March 31, 2022 (Proforma) (₹ in million)	For six months period ended September 30, 2022 (Proforma)* (₹ in million)
Restated profit for the year/period (D)	544.01	194.37
Finance costs (E)	188.30	121.23
Depreciation and amortization expense (F)	308.43	224.31
Income tax expense (G)	196.45	96.61
Finance income (H)	60.07	28.49
EBITDA (I=D+E+F+G-H)	**1,177.13**	**608.03**
EBITDA Margin (I)/(C)	**7.32%**	**5.73%**
Employee Stock Option Expenses (J)	8.12	5.91
Fair value changes in liability payable/paid to promoters of acquired subsidiary (K)	213.48	274.38
Adjusted EBITDA (L=I+J+K)	**1,398.73**	**888.32**
Adjusted EBITDA Margin (L)/(C)	**8.70%**	**8.37%**
EBIT (M=I-F)	868.69	383.72
Adjusted EBIT (N=L-F)	**1,090.30**	**664.01**
Total equity (O)	3,452.71	3,672.23
Non-Current borrowings (P)	-	195.28
Current borrowings (Q)	937.36	1,852.86
Non-current Lease Liabilities (R)	240.93	260.56
Current Lease Liabilities (S)	121.53	125.82
Cash and cash equivalents (T)	264.86	1,005.58
Bank balance other than cash and cash equivalents (U)	404.37	344.76
Proforma Capital Employed (V=O+P+Q+R+S-T-U)	**4,083.29**	**4,756.40**
Proforma RoCE % (M/V)	**21.27%**	**8.07%**
Adjusted Proforma RoCE % (N/V)	**26.70%**	**13.96%**

Note: *Fair value changes in liability payable/paid to promoters of acquired Subsidiary represents increase or decrease in liability payable / paid to promoters of Subsidiary for the balance stake to be acquired / acquired in Matrix Business Services India Private Limited, Washroom Hygiene Concepts Private Limited, Global Flight Handling Services Private Limited and Denave India Private Limited based on fair valuation or settlement. This is non-recurring / non-operational in nature and may arise only if there is a variation of performance in partially acquired entities or if we undertake any further acquisitions under a similar transaction structure.*

** Calculated for six months ended September 30, 2022, and is not annualised.*

Also see "*Proforma Financial Information*" and "*Risk Factors – The Proforma Financial Information included in this Draft Red Herring Prospectus may not be indicative of our actual results of operations and financial position for such periods or as of such dates, or of expected results of operations in future periods or our future financial position.*" on pages 278 and 40, respectively. For details in relation to this acquisition, see "*History and Certain Corporate Matters – Details regarding acquisition or divestment of business or undertakings*" on page 236.

Principle components of revenue and expenditure

Income

Our total income comprises (i) revenue from contracts with customers, (ii) other income, and (iii) finance income.

Revenue from contracts with customers

Revenue from contracts with customers comprises (i) sale of services, and (ii) sale of products.

Other income

Other income primarily includes (i) profit on sale of property, plant and equipment (net), (ii) profit on sale of investment, (iii) provisions which were no longer required and were written back, (iv) other non-operating income, (v) bad debts recovered, (vi) fair value gain on financial assets at FVTPL, (vi) exchange differences (net), and (vii) liability payable to promoters of acquired subsidiary which were no longer required and were written back.

Finance income

Our finance income comprises (i) income from interests on bank deposits, (ii) interest on income tax refund, and (iii) income on other interests.

Expenses

Our expenses comprise the following:

- (i) Cost of materials consumed;
- (ii) Purchases of traded goods;
- (iii) Cost of services;
- (iv) Changes in inventories of finished and traded goods;
- (v) Employee benefits expense, which further comprises (a) salaries and wages, (b) contribution to provident and other fund, (c) gratuity expense, (d) staff welfare expenses, and (e) employee stock option expenses;
- (vi) Finance costs which further comprises (a) interest on borrowings, (b) other borrowing costs, (c) interest on lease liabilities;
- (vii) Depreciation and amortisation expense which further comprises (a) amortization of intangible assets, (b) depreciation of property, plant and equipment, and (c) depreciation of right-of-use assets;
- (viii) Impairment losses on financial instrument and contract assets which further comprises (a) impairment for doubtful trade receivables, (ii) impairment for doubtful advances, and (iii) impairment for doubtful unbilled revenue;
- (ix) Fair value changes in liability payable/paid to promoters of acquired subsidiary, and
- (x) Other expenses comprising (a) payment to associates, (b) verification expenses, (c) consumption of stores and spares, (d) communication expense, (e) canteen materials, (f) cleaning materials and consumables, (g) bad debts written off, (h) freight and forwarding charges, (i) insurance, (j) legal and professional fees, (k) power and fuel which, (l) computer hire charges, (m) discounts allowed, (n) postage and courier charges, (o) printing and stationery, (p) provision for diminution for value entries, (q) director sitting fees, (r) payment to auditor, (s) rates and taxes, (t) rent, (u) repairs and maintenance on buildings, (v) other repairs and maintenance, (w) CSR expenditure, (x) site maintenance expenses, (y) travelling and conveyance, (z) loss on sale of property, plants and equipment, (aa) training expense, (bb) license fee, and (cc) miscellaneous expenses.

Results of Operations

The following table sets forth certain information with respect to the results of operations of our Company based on the Restated Consolidated Financial Information, for the years indicated:

Particulars	Financial Year ended March 31, 2020		Financial Year ended March 31, 2021		Financial Year ended March 31, 2022		Six months period ended September 30, 2022	
	₹ in million	% of total income	₹ in million	% of total income	₹ in Million	% of total income	₹ in Million	% of total income
Income								
Revenue from contracts with customers	13,148.86	99.86%	12,100.32	99.48%	14,835.52	99.04%	9,851.16	98.86%
Other income	11.86	0.09%	41.60	0.34%	83.34	0.56%	84.92	0.85%
Finance income	7.09	0.05%	21.59	0.18%	60.07	0.40%	28.49	0.29%
Total income	**13,167.81**	**100.00%**	**12,163.51**	**100.00%**	**14,978.93**	**100.00%**	**9,964.57**	**100.00%**
Expenses								
Cost of materials consumed	454.22	3.45%	275.92	2.27%	387.20	2.58%	251.77	2.53%
Purchases of traded goods	19.51	0.15%	24.55	0.20%	19.71	0.13%	12.76	0.13%
Cost of services	-	-	-	-	954.10	6.37%	1,313.68	13.18%
Changes in inventories of finished goods and traded goods	(29.38)	(0.22%)	15.61	0.13%	(13.44)	(0.09%)	12.72	0.13%
Employee benefits expense	10,542.57	80.06%	9,816.55	80.70%	10,681.77	71.31%	6,448.20	64.71%
Finance costs	76.01	0.58%	29.71	0.24%	50.68	0.34%	47.59	0.48%
Depreciation and amortization expense	161.67	1.23%	149.86	1.23%	165.34	1.10%	142.89	1.43%
Impairment losses on	66.69	0.51%	55.47	0.46%	60.01	0.40%	28.03	0.28%

Particulars	Financial Year ended March 31, 2020		Financial Year ended March 31, 2021		Financial Year ended March 31, 2022		Six months period ended September 30, 2022	
	₹ in million	% of total income	₹ in million	% of total income	₹ in Million	% of total income	₹ in Million	% of total income
financial instrument and contract assets								
Fair value changes in liability payable/paid to promoters of acquired subsidiary	29.37	0.22%	38.75	0.32%	213.48	1.43%	274.38	2.75%
Other expenses	1,480.58	11.24%	1,212.83	9.97%	1,750.67	11.69%	1,122.58	11.27%
Total expenses	**12,801.24**	**97.22%**	**11,619.25**	**95.53%**	**14,269.52**	**95.26%**	**9,654.60**	**96.89%**
Restated profit before tax	**366.57**	**2.78%**	**544.26**	**4.47%**	**709.41**	**4.74%**	**309.97**	**3.11%**
Tax expense:								
Current tax	67.58	0.51%	153.43	1.26%	209.48	1.40%	143.61	1.44%
Adjustment of tax relating to earlier periods	0.29	0.00%	1.39	0.01%	(12.98)	(0.09%)	5.27	0.05%
Deferred tax charge / (credit)	(32.08)	(0.24%)	(86.17)	(0.71%)	(60.78)	(0.41%)	(40.84)	(0.41%)
Income tax expense	**35.79**	**0.27%**	**68.65**	**0.56%**	**135.72**	**0.91%**	**108.04**	**1.08%**
Restated profit for the year/period	**330.78**	**2.51%**	**475.61**	**3.91%**	**573.69**	**3.83%**	**201.93**	**2.03%**

Six months period ended September 30, 2022

Set forth below is a discussion of our results of operations, on the basis of amounts derived from our Restated Consolidated Financial Information, for the six months period ended September 30, 2022.

Income

Our total income in the six months period ended September 30, 2022, was ₹ 9,964.57 million. Our total income comprised (i) revenue from contracts with customers, (ii) other income, and (iii) finance income.

Revenue from contracts with customers

Our revenue from contracts with customers was ₹ 9,851.16 million in the six months period ended September 30, 2022, comprising our sale of services of ₹ 9,831.96 million, and sale of our products of ₹ 19.20 million.

Other income

Our other income was ₹ 84.92 million in the six months period ended September 30, 2022. This comprised income from (i) profit on sale of property, plant and equipment (net) of ₹ 0.29 million (ii) provisions which were no longer required and were written back of ₹ 64.21 million, (iii) other non-operating income of ₹ 1.67 million, (iv) fair value gain on financial assets at fair value through profit or loss ("**FVTPL**") of ₹ 0.86 million, and (v) exchange differences (net) of ₹ 17.89 million.

Finance income

Our finance income was ₹ 28.49 million in the six months period ended September 30, 2022. This constituted (i) income from interests on bank deposits of ₹ 17.65 million, and interest income – others such as interest on employee loans and other deposits of ₹ 10.84 million.

Expenses

Our total expenses were ₹ 9,654.60 million in the six months period ended September 30, 2022. The expenses of our Company comprised the following:

Total material cost

Our total material cost comprised cost of materials consumed amounting to ₹ 251.77 million, purchase of traded goods amounting to ₹ 12.76 million and change in inventories of finished goods and traded goods amounting to

₹ 12.72 million, aggregating to a total material cost of ₹ 277.24 million, in the six months period ended September 30, 2022. Our total material cost included the material cost relating to industrial catering as well as costs associated with purchase of products for our washroom hygiene solutions.

Cost of services

Our expense on cost of services was ₹ 1,313.68 million the six months period ended September 30, 2022 which comprised the cost of delivery of services such as employee background verification check services and audit and assurance services which were outsourced by us.

Employee benefits expense

Our employee benefits expense was ₹ 6,448.20 million in the six months period ended September 30, 2022 comprising (i) salaries and wages of ₹ 5,725.06 million, (ii) contribution to provident and other fund of ₹ 630.69 million, (iii) gratuity expense of ₹ 49.33 million, (iv) staff welfare expenses of ₹ 38.40 million, and (v) employee stock option expenses of ₹ 5.91 million.

Finance costs

Our finance cost was ₹ 47.59 million in the six months period ended September 30, 2022. It comprised (i) interest on borrowings of ₹ 42.50 million, (ii) other borrowing costs of ₹ 0.10 million, and (iii) interest on lease liabilities of ₹ 4.99 million.

Depreciation and amortization expenses

Our depreciation and amortization expenses were ₹ 142.89 million in the six months period ended September 30, 2022, comprising (i) amortization of intangible assets which of ₹ 27.60 million, (ii) depreciation of property, plant and equipment of ₹ 84.89 million, and (iii) depreciation of right to use assets of ₹ 30.40 million.

Impairment losses on financial instrument and contract assets

Our impairment losses on financial instrument and contract assets were ₹ 28.03 million in the six months period ended September 30, 2022. This constituted of (i) impairment for doubtful trade receivables of ₹ 3.00 million, (ii) impairment for doubtful advances of ₹ 5.28 million, and (iii) impairment for doubtful unbilled revenue of ₹ 19.75 million.

Fair value changes in liability payable/paid to promoters of acquired subsidiary

Our fair value changes in liability payable/paid to promoters of acquired subsidiary stood at ₹ 274.38 million in the six months period ended September 30, 2022.

Other expenses

Our other expenses were ₹ 1,122.58 million in the six months period ended September 30, 2022.

Our other expenses primarily comprised (i) payment to associates of ₹ 84.18 million for their services, (ii) verification expenses of ₹ 66.82 million, (iii) communication expenses of ₹ 21.49 million, (iv) canteen materials of ₹ 18.95 million, (v) cleaning materials and consumables of ₹ 179.44 million, (vi) insurance of ₹ 16.10 million, (vii) legal and professional fees of ₹ 41.40 million, (viii) power and fuel which of ₹ 12.95 million, (ix) computer hire charges of ₹ 18.47 million (x) postage and courier charges of ₹ 105.31 million (xi) printing and stationery of ₹ 12.72 million (xii) rates and taxes of ₹ 21.31 million, (xiii) rent of ₹ 36.70 million, (xiv) repairs and maintenance – others of ₹ 41.68 million, (xv) site maintenance expenses of ₹ 246.19 million, (xvi) travelling and conveyance of ₹ 74.18 million, (xvii) training expense of ₹ 41.78 million, (xviii) license fee of ₹ 22.42 million, and (xix) miscellaneous expenses of ₹ 30.42 million.

Restated profit before tax

Our restated profit before tax was ₹ 309.97 million in the six months period ended September 30, 2022.

Tax expense

Our tax expense was ₹ 108.04 million in the six months period ended September 30, 2022. It constituted of (i) current tax of ₹ 143.61 million, (ii) adjustment of tax relating to earlier periods of ₹ 5.27 million, and (iii) deferred tax charge / (credit) of ₹ (40.84) million.

Restated profit for the year/period

For the reasons discussed above, our restated profit for the period was ₹ 201.93 million in the six months period ended September 30, 2022.

Financial Year ended March 31, 2022 compared with Financial Year ended March 31, 2021

Our results of operations for Financial Year ended March 31, 2022 were particularly impacted by the following factors:

- **Acquisition of Denave**: We acquired 54.07% of total outstanding equity shares in Denave in Financial Year ended March 31, 2022. Given this entity was acquired pursuant to the agreement dated October 7, 2021, the Restated Consolidated Financial Information as of and for the Financial Year ended March 31, 2022 take into account, the impact of such acquisition only from the date of completion of such tranche of acquisition, and accordingly, may not be comparable to the Restated Consolidated Financial Information as of and for the Financial Years ended March 31, 2021 and March 31, 2020.

- **Impact of COVID-19**: Certain services within our IFM services segment were severely impacted in particular during the first quarter of Financial Year ended March 31, 2021 as, owing to the COVID-19 pandemic, the operations at the locations of a number of our customers were disrupted in response to the government-mandated lockdown. As a consequence of this and a reduction of manpower, our revenue from contracts with customers and profitability were adversely impacted in Financial Year ended March 31, 2021. While COVID-19 also had an impact on our operations in Financial Year ended March 31, 2022, the effect and severity were not the same owing to relaxations and opening up of our customers' premises during the year.

Set forth below is a discussion of our results of operations, on the basis of amounts derived from our Restated Consolidated Financial Information, for the Financial Years ended March 31, 2022 and March 31, 2021.

Income

Our total income increased by ₹ 2,815.42 million, or by 23.15%, from ₹ 12,163.51 million in Financial Year ended March 31, 2021 to ₹ 14,978.93 million in Financial Year ended March 31, 2022. This was driven by a growth in our (i) revenue from contracts with customers, (ii) other income, and (iii) finance income.

Revenue from contracts with customers

Our revenue from contracts with customers increased by ₹ 2,735.20 million, or by 22.60%, from ₹ 12,100.32 million in Financial Year ended March 31, 2021 to ₹ 14,835.52 million in Financial Year ended March 31, 2022.

This was primarily due to increase in revenue from sale of services which increased by 22.57% from ₹ 12,071.30 million in Financial Year ended March 31, 2021 to ₹ 14,796.35 million in Financial Year ended March 31, 2022. This increase was primarily attributable to an increase in revenue from existing customers and new logos due to higher volumes including on account of opening up of the markets post COVID-19 lockdown, as well as owing to the impact of our acquisition of Denave. Further, there was an increase in revenue from sale of our products which increased by 34.98% from ₹ 29.02 million in Financial Year ended March 31, 2021 to ₹ 39.17 million in Financial Year ended March 31, 2022.

Other income

Our other income increased significantly by ₹ 41.74 million, or by 100.33%, from ₹ 41.60 million in Financial Year ended March 31, 2021 to ₹ 83.34 million in Financial Year ended March 31, 2022. This was primarily due to an increase in (i) provisions which were no longer required and were written back, from ₹ 11.50 million in Financial Year ended March 31, 2021 to ₹ 55.84 million in Financial Year ended March 31, 2022, (ii) other non-operating income from ₹ 0.99 million in Financial Year ended March 31, 2021 to ₹ 1.44 million in Financial Year ended March 31, 2022, (iii) fair value gain on financial assets at FVTPL from ₹ 5.53 million in Financial Year ended March 31, 2021 to ₹ 10.17 million in Financial Year ended March 31, 2022, and (iv) exchange differences (net) from ₹ 1.65 million in Financial Year ended March 31, 2021 to ₹ 6.05 million in Financial Year ended March 31, 2022. Additionally, we had an income of ₹ 9.44 million from bad debts recovered in Financial Year ended March 31, 2022, whereas we did not have such recovery in Financial Year ended March 31, 2021.

This was partially offset by a decrease in our profit on sale of property, plant and equipment (net) from ₹ 2.19 million in Financial Year ended March 31, 2021 to ₹ 0.40 million in Financial Year ended March 31, 2022. Additionally, we had an income of ₹ 19.74 million in Financial Year ended March 31, 2021 from liability payable to promoters of our acquired Subsidiary, Washroom Hygiene Concept, which were no longer required and were written back whereas we did not have such income in Financial Year ended March 31, 2022.

Finance income

Our finance income increased significantly by ₹ 38.48 million, or by 178.28%, from ₹ 21.59 million in Financial Year ended March 31, 2021 to ₹ 60.07 million in Financial Year ended March 31, 2022. This was primarily due to an increase in (i) income from interests on bank deposits from ₹ 12.45 million in Financial Year ended March 31, 2021 to ₹ 23.53 million in Financial Year ended March 31, 2022, (ii) interest on income tax refund from ₹ 7.19 million in Financial Year ended March 31, 2021 to ₹ 32.08 million in Financial Year ended March 31, 2022, (iii) interest income - others from ₹ 1.95 million in Financial Year ended March 31, 2021 to ₹ 4.46 million in Financial Year ended March 31, 2022.

Expenses

Our total expenses increased by ₹ 2,650.27 million, or by 22.81%, from ₹ 11,619.25 million in Financial Year ended March 31, 2021 to ₹ 14,269.52 million in Financial Year ended March 31, 2022. The expenses of our Company comprised (i) cost of materials consumed, (ii) purchase of traded goods (iii) cost of services, (iv) changes in inventories of finished goods and traded goods, (v) employee benefits expenses, (vi) finance costs, (vii) depreciation and amortization expense, (viii) impairment losses on financial instrument and contract assets, (ix) fair value changes in liability payable/paid to promoters of acquired subsidiary, and (x) other expenses.

Total material cost

Our total material cost increased by ₹ 77.39 million, or by 24.48%, from ₹ 316.08 million in Financial Year ended March 31, 2021 to ₹ 393.47 million in Financial Year ended March 31, 2022.

Our total material cost comprised (i) cost of materials consumed which increased by ₹ 111.28 million, or by 40.33%, from ₹ 275.92 million in Financial Year ended March 31, 2021 to ₹ 387.20 million in Financial Year ended March 31, 2022; (ii) purchases of traded goods which decreased by ₹ 4.84 million, or by 19.71%, from ₹ 24.55 million in Financial Year ended March 31, 2021 to ₹ 19.71 million in Financial Year ended March 31, 2022; and (iii) changes in inventories of finished goods and traded goods which were ₹ 15.61 million in Financial Year ended March 31, 2021 whereas our changes in inventories of finished goods and traded goods which were ₹ (13.44) million in Financial Year ended March 31, 2022. Our total material cost included the material cost relating to industrial catering as well as costs associated with purchase of products for our washroom hygiene solutions.

Cost of services

Our expense on cost of services in Financial Year ended March 31, 2022 was ₹ 954.10 million which we incurred in relation to our sales enablement business which we offered through our Subsidiary Denave. Such costs comprised direct employee costs and other direct costs relating to revenue from contracts with customers of Denave. Given that Denave was acquired in Financial Year ended March 31, 2022, we did not incur any such expenditure in Financial Year ended March 31, 2021.

Employee benefits expense

Our employee benefits expense increased by ₹ 865.22 million, or by 8.81%, from ₹ 9,816.55 million in Financial Year ended March 31, 2021 to ₹ 10,681.77 million in Financial Year ended March 31, 2022. This increase was primarily due to an increase in (i) salaries and wages from ₹ 8,754.75 million in Financial Year ended March 31, 2021 to ₹ 9,496.00 million in Financial Year ended March 31, 2022, (ii) contribution to provident and other fund from ₹ 984.44 million in Financial Year ended March 31, 2021 to ₹ 1,071.78 million in Financial Year ended

March 31, 2022, (iii) gratuity expense from ₹ 67.66 million in Financial Year ended March 31, 2021 to ₹ 76.67 million in Financial Year ended March 31, 2022 and (iv) employee stock option expenses from ₹ 1.49 million in Financial Year ended March 31, 2021 to ₹ 8.12 million in Financial Year ended March 31, 2022, primarily owing to an increase in head count and on account of our acquisition of Denave which also resulted in our Company assuming the employees of Denave. These expenses were offset by a decrease in our staff welfare expenses which decreased marginally from ₹ 40.16 million in Financial Year ended March 31, 2021 to ₹ 39.05 million in Financial Year ended March 31, 2022.

Finance costs

Our finance cost increased by ₹ 20.97 million, or by 70.57%, from ₹ 29.71 million in Financial Year ended March 31, 2021 to ₹ 50.68 million in Financial Year ended March 31, 2022. This was primarily due to an increase in our interest on borrowings from ₹ 24.80 million in Financial Year ended March 31, 2021 to ₹ 44.91 million in Financial Year ended March 31, 2022 on account of higher borrowings and higher interest costs, and interest on lease liabilities which increased from ₹ 4.91 million in Financial Year ended March 31, 2021 to ₹ 5.16 million in Financial Year ended March 31, 2022. Additionally, our expense on interest on income tax was ₹ 0.61 million in Financial Year ended March 31, 2022, whereas we did not have such expense in Financial Year ended March 31, 2021.

Depreciation and amortization expenses

Our depreciation and amortization expense increased by ₹ 15.48 million, or by 10.33%, from ₹ 149.86 million in Financial Year ended March 31, 2021 to ₹ 165.34 million in Financial Year ended March 31, 2022 primarily due to increase in our (i) amortization of intangible assets from ₹ 27.89 million in Financial Year ended March 31, 2021 to ₹ 44.82 million in Financial Year ended March 31, 2022, and (ii) depreciation of right to use assets from ₹ 25.04 million in Financial Year ended March 31, 2021 to ₹ 36.17 million in Financial Year ended March 31, 2022. This was offset by our decrease in depreciation of property, plant and equipment which decreased from ₹ 96.93 million in Financial Year ended March 31, 2021 to ₹ 84.35 million in Financial Year ended March 31, 2022.

Impairment losses on financial instrument and contract assets

Our impairment losses on financial instrument and contract assets increased by ₹ 4.54 million, or by 8.18%, from ₹ 55.47 million in Financial Year ended March 31, 2021 to ₹ 60.01 million in Financial Year ended March 31, 2022. This was primarily due to increase in our impairment for doubtful advances which increased from ₹ 1.06 million in Financial Year ended March 31, 2021 to ₹ 11.66 million in Financial Year ended March 31, 2022. This was considerably offset by our decrease in impairment for doubtful trade receivables from ₹ 48.43 million in Financial Year ended March 31, 2021 to ₹ 43.79 million in Financial Year ended March 31, 2022 and by our decrease in impairment for doubtful unbilled revenue from ₹ 5.98 million in Financial Year ended March 31, 2021 to ₹ 4.56 million in Financial Year ended March 31, 2022.

Fair value changes in liability payable/paid to promoters of acquired subsidiary

Our fair value changes in liability payable / paid to promoters of acquired subsidiary, Matrix, increased significantly by ₹ 174.73 million, or by 450.91%, from ₹ 38.75 million in Financial Year ended March 31, 2021 to ₹ 213.48 million in Financial Year ended March 31, 2022. This was primarily due to an increase in liability payable to the promoters of Matrix due to higher EBITDA achieved by the Subsidiary. The transaction valuation was agreed as a multiple of EBITDA achieved by the Subsidiary.

Other expenses

Our other expenses increased by ₹ 537.84 million, or by 44.35%, from ₹ 1,212.83 million in Financial Year ended March 31, 2021 to ₹ 1,750.67 million in Financial Year ended March 31, 2022.

This was primarily due to increase in our (i) payment to associates from ₹ 64.48 million in Financial Year ended March 31, 2021 to ₹ 108.35 million in Financial Year ended March 31, 2022, (ii) verification expenses from ₹ 63.51 million in Financial Year ended March 31, 2021 to ₹ 131.93 million in Financial Year ended March 31, 2022, (iii) communication expenses from ₹ 16.50 million in Financial Year ended March 31, 2021 to ₹ 23.96 million in Financial Year ended March 31, 2022, (iv) insurance from ₹ 18.58 million in Financial Year ended March 31, 2021 to ₹ 33.72 million in Financial Year ended March 31, 2022, (v) legal and professional fees from ₹ 27.06 million in Financial Year ended March 31, 2021 to ₹ 80.07 million in Financial Year ended March 31, 2022, (vi) power and fuel expenses from ₹ 13.23 million in Financial Year ended March 31, 2021 to ₹ 19.96 million in Financial Year ended March 31, 2022, (vii) rates and taxes from ₹ 9.24 million in Financial Year ended March 31, 2021 to ₹ 54.06 million in Financial Year ended March 31, 2022, (viii) rent from ₹ 38.55 million in Financial Year ended March 31, 2021 to ₹ 53.53 million in Financial Year ended March 31, 2022, (ix) repairs and maintenance – others from ₹ 44.34 million in Financial Year ended March 31, 2021 to ₹ 61.12 million in Financial Year ended March 31, 2022, (x) site maintenance expenses from ₹ 325.79 million in Financial Year ended March 31, 2021 to ₹ 370.21 million in Financial Year ended March 31, 2022, (xi) travelling and conveyance from ₹ 47.01 million in Financial Year ended March 31, 2021 to ₹ 78.36 million in Financial Year ended March 31, 2022, (xii) training expense from ₹ 10.57 million in Financial Year ended March 31, 2021 to ₹ 36.88 million in Financial Year ended March 31, 2022, and (xiii) miscellaneous expenses from ₹ 23.22 million in Financial Year ended March 31, 2021 to ₹ 52.93 million in Financial Year ended March 31, 2022.

Additionally, we had expenses of (i) ₹ 23.66 million on computer hire charges, (ii) ₹ 5.53 million on discounts allowed, (iii) ₹ 1.03 million on provision for diminution of value of inventories, (iv) ₹ 2.10 million on director sitting fees, and (v) ₹ 10.63 million on license fee in Financial Year ended March 31, 2022, whereas we did not incur such expenses in Financial Year ended March 31, 2021.

These expenses were partially set off by our expenses on (i) cleaning and materials and consumables which decreased from ₹ 259.95 million in Financial Year ended March 31, 2021 to ₹ 220.09 million in Financial Year ended March 31, 2022, (ii) advances written off which decreased from ₹ 4.46 million in Financial Year ended March 31, 2021 to ₹ 2.50 million in Financial Year ended March 31, 2022, and (iii) freight and forwarding charges which decreased from ₹ 6.72 million in Financial Year ended March 31, 2021 to ₹ 1.31 million in Financial Year ended March 31, 2022. Further, we had an expense of ₹ 10.13 million on provision for onerous contract in Financial Year ended March 31, 2021, whereas we did not incur such expense in Financial Year ended March 31, 2022.

Restated profit before tax

On account of factors mentioned hereinabove, our restated profit before tax increased by ₹ 165.15 million, or by 30.34%, from ₹ 544.26 million in Financial Year ended March 31, 2021 to ₹ 709.41 million in Financial Year ended March 31, 2022.

Income tax expense

Our income tax expense increased by ₹ 67.08 million, or by 97.70%, from ₹ 68.65 million in Financial Year ended March 31, 2021 to ₹ 135.72 million in Financial Year ended March 31, 2022. This was due to increase in current tax from ₹ 153.43 million in Financial Year ended March 31, 2021 to ₹ 209.48 million in Financial Year ended March 31, 2022 and an increase of deferred tax charge / (credit) from ₹ (86.17) million in Financial Year ended March 31, 2021 to ₹ (60.78) million in Financial Year ended March 31, 2022. This was partially offset by decrease in adjustment of tax relating to earlier periods from ₹ 1.39 million in Financial Year ended March 31, 2021 to ₹ (12.98) million in Financial Year ended March 31, 2022.

Restated profit for the year

For the reasons discussed above, our restated profit for the year increased by ₹ 98.08 million, or by 20.62%, from ₹ 475.61 million in Financial Year ended March 31, 2021 to ₹ 573.69 million in Financial Year ended March 31, 2022.

Financial Year ended March 31, 2021 compared with Financial Year ended March 31, 2020

Our results of operations for Financial Year ended March 31, 2021 were particularly impacted by the following factors:

- **Acquisition of Matrix and Washroom Hygiene Concept**: We acquired 75% stake in Matrix and 76% stake in Washroom Hygiene Concept, each in Financial Year ended March 31, 2020. Given that Matrix was acquired pursuant to the agreement dated April 25, 2019 and Washroom Hygiene Concept was acquired pursuant to the agreement dated September 5, 2019, respectively, the Restated Consolidated Financial Information as of and for the Financial Year ended March 31, 2020 takes into account, the impact of such acquisitions only from the date of completion of such tranche of acquisition, and accordingly, may not be comparable to the Restated Consolidated Financial Information as of and for the

Financial Years ended March 31, 2022 and ended March 31, 2021.

- **Impact of COVID-19**: Certain services within our IFM services segment were severely impacted in particular during the first quarter of Financial Year ended March 31, 2021 as, owing to the COVID-19 pandemic, the operations at the locations of a number of our customers were disrupted in response to the government-mandated lockdown. As a consequence of this and a reduction of manpower, our revenue from contracts with customers and profitability were adversely impacted in Financial Year ended March 31, 2021.

Set forth below is a discussion of our results of operations, on the basis of amounts derived from our Restated Consolidated Financial Information for the Financial Years ended March 31, 2021 and March 31, 2020.

Income

Our total income decreased by ₹ 1,004.31 million, or by 7.63%, from ₹ 13,167.81 million in Financial Year ended March 31, 2020 to ₹ 12,163.51 million in Financial Year ended March 31, 2021. Our total income comprised (i) revenue from contracts with customers, (ii) other income, and (iii) finance income.

Revenue from contracts with customers

Our revenue from contracts with customers decreased by ₹ 1,048.53 million, or by 7.97%, from ₹ 13,148.86 million in Financial Year ended March 31, 2020 to ₹ 12,100.32 million in Financial Year ended March 31, 2021. This was primarily due to a decrease in our (i) sale of services from ₹ 13,113.64 million in Financial Year ended March 31, 2020 to ₹ 12,071.30 million in Financial Year ended March 31, 2021, and (ii) sale of products from ₹ 35.22 million in Financial Year ended March 31, 2020 to ₹ 29.02 million in Financial Year ended March 31, 2021 primarily on account of the lockdown imposed by the Central and the various State Governments in order to contain the spread of the COVID-19 pandemic.

This was primarily due to increase in revenue from sale of services which increased by 22.57% from ₹ 12,071.30 million in Financial Year ended March 31, 2021 to ₹ 14,796.35 million in Financial Year ended March 31, 2022. This increase was primarily attributable to an increase in revenue from existing customers and new logos due to higher volumes including on account of opening up of the markets post COVID-19 lockdown, as well as owing to the impact of our acquisition of Denave. Further, there was an increase in revenue from sale of our products which increased by 34.98% from ₹ 29.02 million in Financial Year ended March 31, 2021 to ₹ 39.17 million in Financial Year ended March 31, 2022.

Other income

Our other income increased significantly by ₹ 29.74 million, or by 250.76%, from ₹ 11.86 million in Financial Year ended March 31, 2020 to ₹ 41.60 million in Financial Year ended March 31, 2021. This was primarily due to an increase in our (i) profit on sale of property, plant and equipment (net) from ₹ 0.30 million in Financial Year ended March 31, 2020 to ₹ 2.19 million in Financial Year ended March 31, 2021, (ii) provisions which were no longer required and were written back from ₹ 4.56 million in Financial Year ended March 31, 2020 to ₹ 11.50 million in Financial Year ended March 31, 2021, (iii) fair value gain on financial assets at FVTPL from ₹ 3.07 million in Financial Year ended March 31, 2020 to ₹ 5.53 million in Financial Year ended March 31, 2021, and (iv) exchange differences (net) from ₹ 0.65 million in Financial Year ended March 31, 2020 to ₹ 1.65 million in Financial Year ended March 31, 2021. Additionally, we had an income of ₹ 19.74 million from liability payable to promoters of acquired Subsidiary, Washroom Hygiene Concept which were no longer required and were written back in Financial Year ended March 31, 2021, whereas we did not have such credit in Financial Year ended March 31, 2020.

This increase was partially offset by a decrease in our other non-operating income from ₹ 2.86 million in Financial Year ended March 31, 2020 to ₹ 0.99 million in Financial Year ended March 31, 2021. Additionally, we had an income of ₹ 0.42 million from profit on sale of investment in Financial Year ended March 31, 2020, whereas we did not have such income in Financial Year ended March 31, 2021.

Finance income

Our finance income increased by ₹ 14.50 million, or by 204.51%, from ₹ 7.09 million in Financial Year ended March 31, 2020 to ₹ 21.59 million in Financial Year ended March 31, 2021. This was primarily due to an increase in our (i) income from interests on bank deposits from ₹ 6.35 million in Financial Year ended March 31, 2020 to ₹ 12.45 million in Financial Year ended March 31, 2021, and (ii) interest income – others from ₹ 0.74 million in Financial Year ended March 31, 2020 to ₹ 1.95 million in Financial Year ended March 31, 2021. Additionally, we had an income of ₹ 7.19 million in Financial Year ended March 31, 2021 from interest on income tax refund, whereas we had no such income in Financial Year ended March 31, 2020.

Expenses

Our total expenses decreased by ₹ 1,181.99 million, or by 9.23%, from ₹ 12,801.24 million in Financial Year ended March 31, 2020 to ₹ 11,619.25 million in Financial Year ended March 31, 2021. The expenses of our Company comprised (i) cost of materials consumed, (ii) purchases of traded goods, (iii) changes in inventories of finished goods and traded goods, (iv) employee benefits expenses, (v) finance costs, (vi) depreciation and amortization expense, (vii) impairment losses on financial instrument and contract assets, (viii) fair value changes in liability payable/paid to promoters of acquired subsidiary, and (ix)other expenses.

Total material cost

Our total material cost reduced by ₹ 128.27 million, or by 28.87%, from ₹ 444.35 million in Financial Year ended March 31, 2020 to ₹ 316.08 million in Financial Year ended March 31, 2021.

Our total material cost comprised (i) cost of materials consumed which reduced significantly by ₹ 178.30 million, or by 39.25%, from ₹ 454.22 million in Financial Year ended March 31, 2020 to ₹ 275.92 million in Financial Year ended March 31, 2021 primarily on account of the lockdown imposed by the Central and the various State Governments in order to contain the spread of the COVID-19 pandemic and a consequent reduction in revenue from industrial catering; (ii) purchases of traded goods which increased by ₹ 5.04 million, or by 25.85%, from ₹ 19.51 million in Financial Year ended March 31, 2020 to ₹ 24.55 million in Financial Year ended March 31, 2021; and (iii) changes in inventories of finished goods and traded goods which were ₹ (29.38) million in Financial Year ended March 31, 2020 whereas our changes in inventories of finished goods and traded goods which were ₹ 15.61 million in Financial Year ended March 31, 2021. Our total material cost included the material cost relating to industrial catering as well as costs associated with purchase of products for our washroom hygiene solutions.

Employee benefits expense

Our employee benefits expense decreased by ₹ 726.02 million, or by 6.89%, from ₹ 10,542.57 million in Financial Year ended March 31, 2020 to ₹ 9,816.55 million in Financial Year ended March 31, 2021. This was primarily due to a decrease in our (i) salaries and wages from ₹ 9,405.02 million in Financial Year ended March 31, 2020 to ₹ 8,754.75 million in Financial Year ended March 31, 2021, (ii) contribution to provident and other fund from ₹ 1,055.01 million in Financial Year ended March 31, 2020 to ₹ 984.44 million in Financial Year ended March 31, 2021, (iii) staff welfare expenses from ₹ 75.54 million in Financial Year ended March 31, 2020 to ₹ 40.16 million in Financial Year ended March 31, 2021, and (iv) employee stock option expenses from ₹ 32.56 million in Financial Year ended March 31, 2020 to ₹ 1.49 million in Financial Year ended March 31, 2021. This decrease was partially offset by an increase in gratuity expense from ₹ 54.70 million in Financial Year ended March 31, 2020 to ₹ 67.66 million in Financial Year ended March 31, 2021.

Finance costs

Our finance cost decreased by ₹ 46.30 million, or by 60.91%, from ₹ 76.01 million in Financial Year ended March 31, 2020 to ₹ 29.71 million in Financial Year ended March 31, 2021. This was primarily due to a decrease in our interest on borrowings from ₹ 69.52 million in Financial Year ended March 31, 2020 to ₹ 24.80 million in Financial Year ended March 31, 2021, and a decrease in interest on lease liabilities from ₹ 5.16 million in Financial Year ended March 31, 2020 to ₹ 4.91 million in Financial Year ended March 31, 2021 as we were able to avail better interest rates for our borrowings.

This reduction was partially offset by our expense on interest on income tax which was ₹ 1.33 million in Financial Year ended March 31, 2020, whereas, we had no such expense in Financial Year ended March 31, 2021.

Depreciation and amortization expenses

Our depreciation and amortization expense decreased by ₹ 11.81 million, or by 7.31%, from ₹ 161.67 million in Financial Year ended March 31, 2020 to ₹ 149.86 million in Financial Year ended March 31, 2021, primarily due to a decrease in depreciation of property, plant and equipment from ₹ 119.07 million in Financial Year ended March 31, 2020 to ₹ 96.93 million in Financial Year ended March 31, 2021. Additionally, we had an expense of ₹ 0.54 million in Financial Year ended March 31, 2020 on impairment of intangible assets, whereas we had no such expense in Financial Year ended March 31, 2021.

This reduction was partially offset by an increase in amortization of intangible assets from ₹ 19.34 million in Financial Year ended March 31, 2020 to ₹ 27.89 million in Financial Year ended March 31, 2021, and an increase in depreciation of right to use assets from ₹ 22.72 million in Financial Year ended March 31, 2020 to ₹ 25.04 million in Financial Year ended March 31, 2021. Intangible assets are primarily attributable to the new acquisitions undertaken during the year.

Impairment losses on financial instrument and contract assets

Our impairment losses on financial instrument and contract assets decreased by ₹ 11.22 million, or by 16.82%, from ₹ 66.69 million in Financial Year ended March 31, 2020 to ₹ 55.47 million in Financial Year ended March 31, 2021. This reduction was primarily due to a decrease in our (i) impairment of doubtful trade receivable from ₹ 60.55 million in Financial Year ended March 31, 2020 to ₹ 48.43 million in Financial Year ended March 31, 2021, and (ii) impairment for doubtful advances from ₹ 6.14 million in Financial Year ended March 31, 2020 to ₹ 1.06 million in Financial Year ended March 31, 2021. This reduction was partially offset by our expense of ₹ 5.98 million on impairment for doubtful unbilled revenue in Financial Year ended March 31, 2021, whereas we had no such expense in Financial Year ended March 31, 2020.

Fair value changes in liability payable/paid to promoters of acquired subsidiary

Our fair value changes in liability payable/paid to promoters of acquired subsidiary increased by ₹ 9.38 million, or by 31.93%, from ₹ 29.37 million in Financial Year ended March 31, 2020 to ₹ 38.75 million in Financial Year ended March 31, 2021.

Other expenses

Our other expenses decreased by ₹ 267.75 million, or by 18.08%, from ₹ 1,480.58 million in Financial Year ended March 31, 2020 to ₹ 1,212.83 million in Financial Year ended March 31, 2021.

This was primarily due to a decrease in (i) payment to associates from ₹ 70.10 million in Financial Year ended March 31, 2020 to ₹ 64.48 million in Financial Year ended March 31, 2021, (ii) verification expenses from ₹ 87.41 million in Financial Year ended March 31, 2020 to ₹ 63.51 million in Financial Year ended March 31, 2021, (iii) communication expenses from ₹ 25.47 million in Financial Year ended March 31, 2020 to ₹ 16.50 million in Financial Year ended March 31, 2021, (iv) canteen materials from ₹ 69.63 million in Financial Year ended March 31, 2020 to ₹ 9.48 million in Financial Year ended March 31, 2021, (v) cleaning materials and consumables from ₹ 322.55 million in Financial Year ended March 31, 2020 to ₹ 259.95 million in Financial Year ended March 31, 2021, (vi) bad debts written off from ₹ 23.72 million in Financial Year ended March 31, 2020 to ₹ 6.44 million in Financial Year ended March 31, 2021, (vii) legal and professional fees from ₹ 60.42 million in Financial Year ended March 31, 2020 to ₹ 27.06 million in Financial Year ended March 31, 2021, (viii) power and fuel from ₹ 21.26 million in Financial Year ended March 31, 2020 to ₹ 13.23 million in Financial Year ended March 31, 2021, (ix) rent from ₹ 67.03 million in Financial Year ended March 31, 2020 to ₹ 38.55 million in Financial Year ended March 31, 2021, (x) site maintenance expenses from ₹ 402.54 million in Financial Year ended March 31, 2020 to ₹ 325.79 million in Financial Year ended March 31, 2021, (xi) travelling and conveyance from ₹ 97.39 million in Financial Year ended March 31, 2020 to ₹ 47.01 million in Financial Year ended March 31, 2021, and (xii) training expense from ₹ 54.57 million in Financial Year ended March 31, 2020 to ₹ 10.57 million in Financial Year ended March 31, 2021. Additionally, we had expenses of ₹ 0.20 million on provision for diminution of value of inventories and ₹ 2.90 million on director sitting fees in Financial Year ended March 31, 2020, whereas we did not have such expenses in Financial Year ended March 31, 2021.

These expenses were partially set off by an increase in (i) advances written off from ₹ 2.09 million in Financial Year ended March 31, 2020 to ₹ 4.46 million in Financial Year ended March 31, 2021, (ii) expense on insurance from ₹ 2.23 million in Financial Year ended March 31, 2020 to ₹ 18.58 million in Financial Year ended March 31, 2021, (iii) postage and courier charges from ₹ 91.96 million in Financial Year ended March 31, 2020 to ₹ 168.00 million in Financial Year ended March 31, 2021, (iv) expense on printing and stationery from ₹ 12.32 million in Financial Year ended March 31, 2020 to ₹ 16.39 million in Financial Year ended March 31, 2021, (v) rates and taxes from ₹ 5.99 million in Financial Year ended March 31, 2020 to ₹ 9.24 million in Financial Year ended March 31, 2021, (vi) repairs and maintenance - others from ₹ 13.04 million in Financial Year ended March 31, 2020 to ₹ 44.34 million in Financial Year ended March 31, 2021, (vii) CSR expenditure from ₹ 6.97 million in Financial Year ended March 31, 2020 to ₹ 7.33 million in Financial Year ended March 31, 2021, and (viii) miscellaneous expenses from ₹ 18.80 million in Financial Year ended March 31, 2020 to ₹ 23.22 million in Financial Year ended March 31, 2021. Further, we had an expense of ₹ 10.13 million on provision for onerous contract, and ₹ 9.40 million on repairs and maintenance of buildings in Financial Year ended March 31, 2021, whereas we did not incur such expense in Financial Year ended March 31, 2020.

Restated profit before tax

On account of factors mentioned hereinabove, our restated profit before tax increased by ₹ 177.69 million, or by 48.47%, from ₹ 366.57 million in Financial Year ended March 31, 2020 to ₹ 544.26 million in Financial Year ended March 31, 2021.

Income tax expense

Our income tax expense increased significantly by ₹ 32.86 million, or by 91.81%, from ₹ 35.79 million in Financial Year ended March 31, 2020 to ₹ 68.65 million in Financial Year ended March 31, 2021. This was due to an increase in (i) current tax from ₹ 67.58 million in Financial Year ended March 31, 2020 to ₹ 153.43 million in Financial Year ended March 31, 2021, and (ii) adjustment of tax relating to earlier periods from ₹ 0.29 million in Financial Year ended March 31, 2020 to ₹ 1.39 million in Financial Year ended March 31, 2021, and this was partially offset by a reduction in deferred tax charge / (credit) from ₹ (32.08) million in Financial Year ended March 31, 2020 to ₹ (86.17) million in Financial Year ended March 31, 2021.

Restated profit for the year

For the reasons discussed above, our restated profit for the year increased by ₹ 144.83 million, or by 43.78%, from ₹ 330.78 million in Financial Year ended March 31, 2020 to ₹ 475.61 million in Financial Year ended March 31, 2021.

Cash flows

(₹ in million)

Particulars	Financial Year ended			Six months period ended September 30, 2022
	March 31, 2020	March 31, 2021	March 31, 2022	
Net cash flow from / (used in) operating activities	53.21	1,284.95	310.69	(5.23)
Net cash flow from / (used in) investing activities	(602.91)	(165.48)	(471.55)	(318.97)
Net cash flow from / (used in) financing activities	563.22	(846.63)	287.89	1,035.98
Net increase/(decrease) in cash and cash equivalents	**13.52**	**272.84**	**127.03**	**711.78**
Cash and cash equivalents at the beginning of the year / period	**78.57**	**172.99**	**445.83**	**572.86**
Additions on acquisition of Subsidiaries	**80.90**	**-**	**-**	**-**
Cash and cash equivalents at the end of the year / period	**172.99**	**445.83**	**572.86**	**1,284.64**

Net cash generated from/ used in operating activities

Six months period ended September 30, 2022

Net cash used in operating activities was ₹ (5.23) million in the six months period ended September 30, 2022. Restated Profit before tax was ₹ 309.97 million in the six months period ended September 30, 2022. Adjustments to reconcile profit before tax to net cash flows primarily consisted of depreciation and amortisation expense of ₹ 142.89 million, finance costs of ₹ 47.59 million, fair value changes in liability payable / paid to the promoters of acquired Subsidiary of ₹ 274.38 million and impairment for doubtful unbilled revenue of ₹ 19.75 million. This was partially offset by finance income of ₹ (28.49) million and provisions no longer required to be written back of ₹ (64.21) million. Operating cash flow before working capital changes was ₹ 715.34 million in the six months period ended September 30, 2022. The main adjustments in the six months period ended September 30, 2022 included increase in trade receivables and contract assets of ₹ (961.75) million and increase in non - financial assets of ₹ (106.38) million. This was partially offset by an increase in trade payables of ₹ 279.15 million, increase in financial liabilities of ₹ 217.16 million, increase in other liabilities of ₹ 34.01 million, decrease in inventory of ₹ 12.88 million and increase in provision of ₹ 11.94 million. Income taxes paid (net of refunds) amounted to ₹

(202.60) million in the six months period ended September 30, 2022.

Financial Year ended March 31, 2022

Net cash flow from operating activities was ₹ 310.69 million in Financial Year ended March 31, 2022. Restated Profit before tax was ₹ 709.41 million in Financial Year ended March 31, 2022. Adjustments to reconcile profit before tax to net cash flows primarily consisted of depreciation and amortisation expense of ₹ 165.34 million, finance costs of ₹ 50.68 million, fair value changes in liability payable / paid to the promoters of acquired Subsidiary of ₹ 213.48 million, impairment for doubtful trade receivables of ₹ 43.79 million, impairment for doubtful advances of ₹ 11.66 million, advances written of ₹ 11.40 million and loss on sale of property, plant and equipment of ₹ 12.23 million. This was partially offset by finance income of ₹ (60.07) million, provisions no longer required to be written back of ₹ (55.84) million and fair value gain on financial assets at FVTPL of ₹ (10.17) million. Operating cash flow before working capital changes was ₹ 1,094.75 million in Financial Year ended March 31, 2022. The main adjustments in Financial Year ended March 31, 2022 included increase in trade receivables and contract assets of ₹ (721.16) million, increase in other financial assets of ₹ (217.84) million, decrease in financial liabilities of ₹ (105.75) million and increase in inventory of ₹ (13.12) million. This was partially offset by a decrease in non - financial assets of ₹ 164.49 million, increase in provision of ₹ 108.39 million, increase in trade payables of ₹ 127.06 million and increase in other liabilities of ₹ 80.29 million. Income taxes paid (net of refunds) amounted to ₹ (213.68) million in Financial Year ended March 31, 2022.

Financial Year ended March 31, 2021

Net cash flow from operating activities was ₹ 1,284.95 million in Financial Year ended March 31, 2021. Restated Profit before tax was ₹ 544.26 million in Financial Year ended March 31, 2021. Adjustments to reconcile profit before tax to net cash flows primarily consisted of depreciation and amortisation expense of ₹ 149.86 million, finance costs of ₹ 29.71 million, fair value changes in liability payable / paid to the promoters of acquired Subsidiary of ₹ 38.75 million, impairment for doubtful trade receivables of ₹ 48.43 million, advances written of ₹ 10.90 million and provision for onerous contract of ₹ 10.13 million. This was partially offset by finance income of ₹ (21.59) million, provisions no longer required to be written back of ₹ (11.50) million, fair value gain on financial assets at FVTPL of ₹ (5.53) million and liability payable to promoters of acquired subsidiary no longer required to be written back of ₹ (19.74) million. Operating cash flow before working capital changes was ₹ 780.22 million in Financial Year ended March 31, 2021. The main adjustments in Financial Year ended March 31, 2021 included increase in other financial assets of ₹ (177.36) million and decrease in trade payables of ₹ (39.38) million. This was partially offset by a decrease in trade receivables and contract assets of ₹ 741.17 million, decrease in non - financial assets of ₹ 24.04 million, increase in provision of ₹ 55.63 million and increase in other liabilities of ₹ 11.47 million. Income taxes paid (net of refunds) amounted to ₹ (125.13) million in Financial Year ended March 31, 2021.

Financial Year ended March 31, 2020

Net cash flow from operating activities was ₹ 53.21 million in Financial Year ended March 31, 2020. Restated Profit before tax was ₹ 366.57 million in Financial Year ended March 31, 2020. Adjustments to reconcile profit before tax to net cash flows primarily consisted of depreciation and amortisation expense of ₹ 161.67 million, finance costs of ₹ 76.01 million, fair value changes in liability payable / paid to the promoters of acquired Subsidiary of ₹ 29.37 million, impairment for doubtful trade receivables of ₹ 60.55 million, advances written of ₹ 25.81 million and employee stock option expenses of ₹ 32.56 million. This was partially offset by finance income of ₹ (7.09) million, provisions no longer required to be written back of ₹ (4.56) million and fair value gain on financial assets at FVTPL of ₹ (3.07) million. Operating cash flow before working capital changes was ₹ 744.92 million in Financial Year ended March 31, 2020. The main adjustments in Financial Year ended March 31, 2020 included increase in trade receivables and contract assets of ₹ (478.29) million, increase in other financial assets of ₹ (215.96) million, increase in non - financial assets of ₹ (59.14) million, increase in loans of ₹ (10.73) million, increase in inventory of ₹ (18.35) million and a decrease in other liabilities of ₹ (57.48) million. This was partially offset by an increase in provision of ₹ 161.95 million, increase in trade payables of ₹ 61.17 million and increase in financial liabilities of ₹ 170.01 million. Income taxes paid (net of refunds) amounted to ₹ (244.89) million in Financial Year ended March 31, 2020.

Net cash generated from/ used in investing activities

Six months period ended September 30, 2022

Net cash used in investing activities in the six months period ended September 30, 2022 was ₹ (318.97) million. This was primarily on account of purchase of property, plant and equipment including capital work in progress, capital creditors and advances paid of ₹ (149.98) million and investments in fixed deposits (having original maturity of more than three months) of ₹ (1,462.71) million. This was partially offset by redemption / maturity of fixed deposits of ₹ 1,263.53 million, proceeds from sale of property, plant and equipment of ₹ 1.20 million and interest received of ₹ 28.99 million.

Financial Year ended March 31, 2022

Net cash used in investing activities in Financial Year ended March 31, 2022 was ₹ (471.55) million. This was primarily on account of purchase of property, plant and equipment including capital work in progress, capital creditors and advances paid of ₹ (135.04) million, investments in fixed deposits (having original maturity of more than three months) of ₹ (1,575.82) million, monies paid to promoters of acquired subsidiary of ₹ (12.04) million, and acquisition of subsidiary (net of cash) of ₹ (483.19) million. This was partially offset by sale proceeds of investments of ₹ 40.34 million and redemption / maturity of fixed deposits of ₹ 1,635.21 million and interest received of ₹ 58.99 million.

Financial Year ended March 31, 2021

Net cash used in investing activities in Financial Year ended March 31, 2021 was ₹ (165.48) million. This was primarily on account of purchase of property, plant and equipment including capital work in progress, capital creditors and advances paid of ₹ (42.73) million, investments in fixed deposits (having original maturity of more than three months) of ₹ (1,020.32) million and purchase of investments of ₹ (25.00) million. This was partially offset by redemption / maturity of fixed deposits of ₹ 897.62 million, proceeds from sale of property, plant and equipment of ₹ 6.73 million and interest received of ₹ 18.22 million.

Financial Year ended March 31, 2020

Net cash used in investing activities in Financial Year ended March 31, 2020 was ₹ (602.91) million. This was primarily on account of purchase of property, plant and equipment including capital work in progress, capital creditors and advances paid of ₹ (134.49) million, investments in fixed deposits (having original maturity of more than three months) of ₹ (31.40) million, purchase of investments of ₹ (7.39) million and acquisition of subsidiary (net of cash) of ₹ (543.52) million. This was partially offset by redemption / maturity of fixed deposits of ₹ 101.86 million, proceeds from sale of property, plant and equipment of ₹ 1.75 million, interest received of ₹ 10.22 million and dividend received of ₹ 0.06 million from mutual funds.

Net cash generated from/ used in financing activities

Six months period ended September 30, 2022

Net cash flow from financing activities in the six months period ended September 30, 2022 was ₹ 1,035.98 million. This was primarily on account of proceeds of long term borrowings amounting to ₹ 209.50 million and proceeds from short-term borrowings of ₹ 5,358.04 million. This was partially offset by repayment of long term borrowings amounting to ₹ (14.22) million, repayment of short term borrowings amounting to ₹ (4,441.96) million, payment of principal portion towards lease liabilities of ₹ (27.79) million, payment of interest towards lease liabilities of ₹ (4.99) million and interest paid of ₹ (42.60) million.

Financial Year ended March 31, 2022

Net cash flow from financing activities in Financial Year ended March 31, 2022 was ₹ 287.89 million. This was primarily on account of proceeds from short-term borrowings of ₹ 8,789.58 million. This was partially offset by repayment of short term borrowings amounting to ₹ (8,361.32) million, payment of principal portion towards lease liabilities of ₹ (71.11) million, payment of interest towards lease liabilities of ₹ (5.16) million, interest paid of ₹ (44.91) million, investment by NCI of ₹ 1.69 million, payment towards buy-back of equity shares relating to non controlling interest portion ₹ (13.13) million and tax on buy-back of equity shares relating to parent of ₹ (7.75) million.

Financial Year ended March 31, 2021

Net cash used in financing activities in Financial Year ended March 31, 2021 was ₹ (846.63) million. This was primarily on account of repayment of short term borrowings amounting to ₹ (978.22) million, payment of principal portion towards lease liabilities of ₹ (33.42) million, interest paid of ₹ (24.80) million and payment of interest towards lease liabilities ₹ (4.91) million. This was partially offset by proceeds from short-term borrowings of ₹ 194.72 million.

Financial Year ended March 31, 2020

Net cash flow from financing activities in Financial Year ended March 31, 2020 was ₹ 563.22 million. This was primarily on account of proceeds from short-term borrowings of ₹ 3,168.38 million. This was partially offset by repayment of short term borrowings amounting to ₹ (2,553.69) million, payment of principal portion towards lease liabilities of ₹ (30.41) million, interest paid of ₹ (14.03) million, payment of interest towards lease liabilities of ₹ (5.16) million and repayment of long term borrowings of ₹ (1.87) million.

Liquidity and Capital Resources

We have historically financed the expansion of our business and operations primarily through debt financing, equity funding and funds generated from our operations. From time to time, we may obtain loan facilities to finance our short term working capital requirements. We evaluate our funding requirements regularly in light of cash flows from our operating activities, the requirements of our business and operations and market conditions.

The following table summarizes certain information in relation to our liquidity and capital resources for the years / period indicated:

(***₹ in million***)

Particulars	**As at the Financial Years ended**			**As at the six months ended September 30, 2022**
	March 31, 2020	**March 31, 2021**	**March 31, 2022**	
Cash and cash equivalents	172.99	445.83	572.86	1,284.64
Non-current borrowings	0.09	-	-	195.28
Current borrowings	899.52	116.10	586.79	1,502.86
Lease liabilities				
- Current	31.88	21.75	47.69	54.84
- Non current	39.45	23.19	78.68	75.31
Bank balances other than cash and cash equivalents	73.63	192.27	137.31	241.50

Indebtedness

As of December 31, 2022, we had outstanding working capital facilities amounting to ₹ 1,344.75 million and outstanding term loan facilities amounting to ₹ 596.97 million. See "*Financial Indebtedness*" as on page 549.

There are a number of covenants in our financing agreements that we have entered into with our lenders. Further, some of our financing agreements include conditions and covenants that require us to obtain their consent prior to carrying out certain activities and entering into certain transactions. Failure to meet these conditions or obtain these consents could have significant consequences on our business. Typically, we require, and may be unable to obtain, lender consents to incur additional secured debt, issue equity, change our capital structure, undertake any major expansion and for any change our management structure, whether or not there is any failure by us to comply with the other terms of such agreements.

The details of our indebtedness (on a consolidated basis) as on December 31, 2022 is provided below:

(in ₹ million)

Category of borrowing	**Sanctioned amount***	**Outstanding amount as on December 31, 2022***
Secured Borrowings		
Working Capital Facilities	2,374.79	1,344.75
Term Loans	654.00	596.97
Total Secured Borrowings (A)	**3,028.79**	**1,941.72**
Unsecured Borrowings		
Total Unsecured Borrowings (B)	**Nil**	**Nil**

Total Borrowings (A+B)	3,028.79	1,941.72

** As certified by Lodha & Co, Chartered Accountants, pursuant to their certificate dated March 29, 2023.*

Trade receivables

Trade receivables represent receivables from our customers. Our trade receivables were ₹ 4,224.62 million as at September 30, 2022.

Trade payables

Our total trade payables were ₹ 671.72 million as at September 30, 2022.

Contractual Obligations and Commitments

The following table sets forth certain information relating to future payments due under known contractual commitments as of September 30, 2022, aggregated by type of contractual obligation:

Particulars	As of September 30, 2022			
	Payment due by period			
	Total	Less than 1 year	1-3 years	More than 3 years
	(₹ million)			
Trade Payables	671.72	596.24	21.47	54.01

Contingent liabilities and off-balance sheet arrangements

As at September 30, 2022, our contingent liabilities and guarantees identified under the Ind AS 37, on a consolidated basis, were as follows:

Particulars	As at September 30, 2022 (₹ in million)
Contingent Liabilities	
Income Tax	155.61
Provision for bonus for Financial Year 2014-15 pursuant to retrospective amendment to "Payment of Bonus Act" for which an interim stay has been granted by the High court	3.22
- Claims made against the Company not acknowledged as debts in respect of income tax matters	21.00
Income Tax Demands against which entire amount is paid under protest	13.71
Others	14.63
Commitments	
- Estimated amount of contracts remaining to be executed on capital account and not provided for net of capital advances	28.29

For details of our contingent liability and guarantees as at September 30, 2022 as per Ind AS 37, see "*Restated Consolidated Financial Information – Annexure V: Significant Accounting Policies to the Restated Consolidated Summary Statements*" on page 311.

There are no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that we believe are material to investors.

Qualifications and Emphasis of Matter

There are no qualifications by the Statutory Auditors which have not been given effect to in the Restated Consolidated Financial Information.

Our Statutory Auditors have included certain qualifications and observations in their auditor's reports on our audited consolidated financial statements for the year ended March 31, 2022 and the annexure to the auditor's reports on Companies (Auditor's Report) Order, 2020 ("**CARO**") and on the internal financial controls under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013, in respect of our Company and certain of our Subsidiaries. Our Statutory Auditors have also included certain emphasis of matters in their auditor's report on our audited consolidated financial statements as at and for the Financial Years ended March 31, 2021 and 2022. Details of these qualifications, observations and emphasis of matters are set forth hereunder.

Qualified opinion in the Statutory Auditor's report on our audited consolidated financial statements as at and for the Financial Year ended March 31, 2022:

In respect of our Company, our Statutory Auditors have included the following qualification:

Our Statutory Auditors have drawn attention to a specific note to our audited consolidated financial statements as at and for the year ended March 31, 2022, regarding certain instances of irregularities in disbursement / payment of salary to fictitious and resigned employees in the then current as well as earlier years in relation to our Subsidiary, Washroom Hygiene Concepts Private Limited, the statutory auditors of which are our Statutory Auditors. Based on initial inquiries, management of the Subsidiary has quantified the possible impact of such irregularities to be ₹ 1.00 million (including ₹ 0.86 million relating to earlier years) and recovered such amounts from the employees concerned, during the then current year. In this regard, the Subsidiary had further initiated a forensic investigation of such irregularities by engaging an external independent specialist and pending the completion of the same, they were unable to comment on the impact, if any, on the consolidated financial statements for the year ended March 31, 2022.

Further, our Statutory Auditors have also included certain qualifications in the report on the internal financial controls with respect to our consolidated financial statements under section 143(3)(i) of the Companies Act, in annexure II to the auditor's report, as stated below:

(i) The internal controls over timely identification of customer claims, their reconciliations and assessment of contractual compliance by our Company for recording the appropriate adjustments, were not operating effectively, which may result in incorrect or inappropriate revenue recognition.

(ii) The internal controls over our Company's compliance with GST regulations as regards credit notes were not operating effectively, which may result in recognising incorrect GST credits / receivables and any consequent liabilities under applicable laws and regulations.

(iii) The IT general controls, including controls over change management and access control were not operating effectively, which may result in material misstatements of our Company's financial statements.

(iv) The internal controls over monitoring and responding to whistle blower allegations received were not operating effectively.

(v) Further, in respect of our Subsidiary, Washroom Hygiene Concepts Private Limited, our Statutory Auditors have issued a disclaimer of opinion as the subsidiary has not established its internal financial control framework with reference to financial statements based on or considering the essential components of internal control stated in Guidance Note issued by ICAI.

***Qualifications or adverse remarks in the annexure to the auditor's report on our audited consolidated financial statements required under Companies (Auditors Report) Order, 2020 ("CARO") as at and for the Financial Year ended March 31, 2022*:**

Name of the entity	Nature of entity	Clause number of section 3 of the CARO which is unfavourable or qualified or adverse	Remarks (basis the respective entities' auditors' reports)
Updater Services Limited	Issuer / parent entity	Clause (ii)(b)	Discrepancies in respect of particulars filed by our Company with banks were not in agreement with the books since our Company's financial closure process was not fully completed at the time of filing quarterly statements
		Clause (vii)(a)	There were delays noted in the remittance of certain undisputed statutory dues and certain undisputed statutory dues were outstanding for a period exceeding six months from the due date
		Clause (xi)(a)	Owing to certain discrepancies in the internal financial controls of our Company, the auditors were not able to comment on whether or not frauds have been made by the Company or on the Company.
Washroom Hygiene Concepts Private Limited	Subsidiary	Clause (i)(b)	Certain property, plant and equipment were not physically verified as per the company's policy

Name of the entity	Nature of entity	Clause number of section 3 of the CARO which is unfavourable or qualified or adverse	Remarks (basis the respective entities' auditors' reports)
			since there were present in a customer's location
		Clause (ii)(a)	Appropriate records to distinguish tracking of trading inventory separately from consumables inventory were not available resulting in inability to determine if discrepancies during physical verification were in excess of 10% for each class of inventory
		Clause (vii)(a)	There were delays noted in the remittance of certain undisputed statutory dues and certain undisputed statutory dues were outstanding for a period exceeding six months from the due date
		Clause (xi)(a)	Certain frauds on the Company were noted during the year which were pending investigation as of the date of approval of the financial statements
		Clause (xi)(c)	There was a whistle blower complaint during the year and it was pending investigation as at the time of the audit
Wynwy Technologies Private Limited	Subsidiary	Clause (vii)(a)	There were minor delays in remittance of certain statutory dues
Tangy Supplies and Solutions Private Limited	Subsidiary	Clause (vii)(a)	There were minor delays in remittance of certain statutory dues
Fusion Foods and Catering Private Limited	Subsidiary	Clause (vii)(a)	There were minor delays in remittance of certain statutory dues
Avon Solutions & Logistics Private Limited	Subsidiary	Clause (vii)(a)	There were delays noted in the remittance of certain undisputed statutory dues and certain undisputed statutory dues were outstanding for a period exceeding six months from the due date

Emphasis of matter in our Statutory Auditor's report on the audited consolidated financial statements as at and for the Financial Year ended March 31, 2022

Our Statutory Auditors have drawn attention to a specific note to our audited consolidated financial statements as at and for the year ended March 31, 2022, which states that our Company has corrected certain prior period errors in respect of the matter more fully described in that note, by restating the comparative amounts for the year ended March 31, 2021, and the opening balances as at April 1, 2020 in accordance with the applicable accounting standards. The opinion of our Statutory Auditors is not modified in respect of this matter.

Emphasis of matter in our Statutory Auditor's report on the audited consolidated financial statements as at and for the Financial Year ended March 31, 2021

Our Statutory Auditors have drawn attention to a specific note to our audited consolidated financial statements as at and for the year ended March 31, 2021, relating to rectification and restatement of items described therein (primarily intangible assets and deferred taxes) as at and for the Financial Year ended March 31, 2020 in accordance with the applicable accounting standards.

For further information, see "*Financial Information*" and "*Risk Factors – Our Statutory Auditors have included certain qualifications and observations in their auditor's report on our audited consolidated financial statements as at and for the Financial Year ended March 31, 2022, and the annexure to the auditor's reports as required under the Companies (Auditor's Report) Order, 2020, and on the internal financial controls under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 in respect of our Company and certain of our Subsidiaries. Our Statutory Auditors have also included certain emphasis of matters in their auditor's report on our audited consolidated financial statements as at and for the Financial Years ended March 31, 2021 and 2022.*" on pages 277 and 43, respectively.

Related Party Transactions

We enter into various transactions with related parties in the ordinary course of business. These transactions principally include rent payments, capital advances, repayment of advances given and remuneration paid to Directors.

For details, see "*Related Party Transactions*" on page 398. Also, see "*Risk Factors – We have in the past entered into related party transactions and may continue to do so in the future, which may potentially have an adverse* *effect on our business.*" on page 69.

Quantitative and Qualitative Disclosures About Market Risk

Our management monitors and manages key financial risk relating to our operations by analysing exposures by degree and magnitude of risk. The risks include credit risk, liquidity risk, interest rate risk and inflation risk. Our Board of Directors has overall responsibility for the establishment and oversight of our risk management framework. Our risk management policies are established to identify and analyse the risks faced by us, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and our activities.

Credit Risk

Credit risk is the risk that counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. We are exposed to credit risk from our operating activities (primarily trade receivables) and loans receivables. Trade receivables are typically unsecured and are derived from revenue earned from customers. Our trade receivables as of September 30, 2022 was ₹ 4,224.62 million.

Liquidity Risk

Liquidity risk is the risk that we will not be able to meet our financial obligations as they become due. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available to meet our liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to our reputation. We manage liquidity risk by maintaining reserves by continuously monitoring forecast and actual cash flows. Our objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts. As of the six months ended September 30, 2022, cash and bank balances and unutilized balance of sanctioned fund based working capital including bill discounting limit of our Company is ₹ 1,739.67 million.

Interest rate risk

Interest rates for borrowings have been fluctuating in India in recent periods. Our current debt facilities typically carry variable rates of interest. Increase in interest rates would increase interest expenses relating to our outstanding borrowings and increase the cost of new debt. In addition, an increase in interest rates may adversely affect our ability to service long-term debt, which in turn may adversely affect our results of operations. We do not have a policy to enter into hedging arrangements against interest rate fluctuations. We mitigate risk by structuring our borrowings to achieve a reasonable, competitive cost of funding. There can be no assurance that we will be able to do so on commercially reasonable terms, or that these agreements, if entered into, will protect us adequately against interest rate risks.

Inflation risk

In recent years, India has experienced relatively high rates of inflation. While we believe that inflation has not had any material impact on our business and results of operations in light of the growth of our revenues, inflation generally impacts the overall economy and business environment and hence could affect us.

Unusual or infrequent events or transactions

Except as described in this Draft Red Herring Prospectus, to our knowledge, there have been no unusual or infrequent events or transactions that have in the past or may in the future affect our business operations or future financial performance.

Significant economic changes that materially affect or are likely to affect income from continuing operations

Our business has been subject, and we expect it to continue to be subject, to significant economic changes that materially affect or are likely to affect income from continuing operations identified above in "- *Significant*

Factors Affecting our Results of Operations and Financial Condition" and the uncertainties described in the section "*Risk Factors*" on pages 500 and 34, respectively.

Known trends or uncertainties

Other than as described in the section "*Risk Factors*" on page 34, to our knowledge, there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

Future relationship between cost and income

Other than as described in the sections "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Position and Results of Operations*" on pages 34, 198 and 495, respectively, to our knowledge there are no known factors that may adversely affect our business prospects, results of operations and financial condition.

Publicly announced new products or business segments /material increases in revenue due to increased disbursements and introduction of new products

As on the date of the Draft Red Herring Prospectus, there are no new products or services or business segments that have or are expected to have a material impact on our business prospects, results of operations or financial condition.

Significant dependence on single or few customers

Given the nature of our business operations, we do not believe our business is dependent on any single customer. We have over the years established long-term relationships with our customers leading to recurrent business engagements with them. However, significant dependence on certain customers may increase the potential volatility of our results of operations, if we do not achieve our expected margins or suffer losses on such contracts. A failure to negotiate favourable terms with our key customers could have a material adverse effect on the business, financial condition, results of operations, cash flows and future prospects of our Company. For the six months period ended September 30, 2022, our top five customers within the IFM & Other services segment accounted for 31.06% of our IFM & Other services revenue whereas our top five customers within the BSS segment accounted for 43.62% of our BSS revenue.

Seasonality of business

Certain of the services that we offer, are subject to seasonal variations. For instance, we offer institutional catering services through our Subsidiary, Fusion Foods, to educational institutions. Given that the education institutions in India are closed in the summer months for their yearly vacations, our revenue generation gets adversely affected for such period of closure. Further, certain of our customers who are in the retail industry, witness higher footfall during the second half of each calendar year, particularly during the festive season in India. This results in an increased requirement for and deployment of, manpower which has a positive effect on our results of operations and profitability. For further information see, "*Risk Factors – Certain of the services that we offer to our customers, are subject to seasonal variations. Such seasonality requires us to predict demand for our services and we may consequently be unable to accurately forecast such demand.*" on page 66.

Other than the as disclosed above, our business is not seasonal in nature.

Competitive conditions

We operate in a competitive environment. Please refer to the sections "*Our Business*", "*Industry Overview*" and "*Risk Factors*" on pages 198, 161 and 34, respectively for further information on our industry and competition.

Change in accounting policies

Except as described in this Draft Red Herring Prospectus, there have been no changes in our accounting policies in the last three Financial Years.

Significant developments after the six months period ended September 30, 2022 that may affect our future

results of operations

To our knowledge, no circumstances have arisen since the date of the last financial statements as disclosed in this Draft Red Herring Prospectus which materially and adversely affect or are likely to affect, the trading or profitability of our Company, or the value of our assets or our ability to pay our material liabilities within the next 12 months.

FINANCIAL INDEBTEDNESS

Our Company and its Subsidiaries have entered into financing arrangements with various banks in the ordinary course of business, including borrowings in the form of term loans and other working capital facilities to meet working capital requirements and business obligations. For details regarding the borrowing powers of our Board, please see *"Our Management –Borrowing Powers"* on page 257.

Our Company has obtained the necessary consents required under the relevant loan documentation for undertaking activities in relation to the Offer, including, *inter alia,* effecting a change in our shareholding pattern, effecting a change in the composition of our Board, and amending our constitutional documents.

As on December 31, 2022, the aggregate outstanding borrowings of our Company on a consolidated basis, was ₹ 1,941.72 million. As on the date of this Draft Red Herring Prospectus, some of our lenders of our Company are Bajaj Finance Limited, HDFC Bank Limited and Standard Chartered Bank (the "**Lenders**"). The details of the indebtedness of our Company and its Subsidiaries as on December 31, 2022, are provided below:

(in ₹ million, unless stated otherwise)

Category of borrowing	Sanctioned amount*	Outstanding amount as on December 31, 2022*
Secured Borrowings		
Working Capital Facilities	2,374.79	1,344.75
Term Loans	654.00	596.97
Total Secured Borrowings (A)	**3,028.79**	**1,941.72**
Unsecured Borrowings		
Total Unsecured Borrowings (B)	**Nil**	**Nil**
Total Borrowings (A+B)	**3,028.79**	**1,941.72**

** As certified by Lodha & Co, Chartered Accountants, pursuant to their certificate dated March 29, 2023.*

Principal terms of the borrowings availed by our Company and its Subsidiaries:

The details provided below are indicative, and there may be additional terms, conditions and requirements under various documentation executed by our Company and its Subsidiaries in relation to our indebtedness.

1. ***Interest:*** The interest rates for the facilities availed by our Company and our Subsidiaries are typically linked to benchmark rates, such as the marginal cost of fund based lending rates ("**MCLR**") or the repo rate prescribed by the RBI. In most of our facilities, a spread per annum is charged above these benchmark rates. The rate of interest for our facilities ranges between 7.00% to 15.75% per annum.

2. ***Tenor:*** The tenor of term loan facilities typically ranges for a period of repayment at demand to four years in case of our Company and its Subsidiaries.

3. ***Penal Interest:*** For certain of the facilities, our Company and its Subsidiaries are bound to pay additional interest to our lenders for any irregularity in payments or maintenance of accounts for our term loans and other fund based working capital facilities. This additional rate of interest is charged as per the terms of the financing documentation and ranges between 2% per annum to 4% per annum for different facilities.

4. ***Pre-payment penalty****:* Should we choose to pay some or all of the outstanding amount to the lender before its due date, some of our loan agreements require us to pay a prepayment premium of 0.25% on principal amount of loan prepaid further some of our loan agreements require us to pay a premium of 0.5% on the amount paid before it is due. Further, some of our loan agreements involves imposition of prepayment penalty as decided by the lending institution. Further some of our loan agreements involves imposition of prepayment/foreclosure charges at the rate of 2% of the outstanding limit. Further some of our loan agreements involves imposition of prepayment/foreclosure charges at the rate of 4% of the amount of facilities/limits taken over by the bank/financial institution in case any of the facilities are closed by way of balance transfer/takeover by any other bank or financial institution during the tenor of the facilities.

5. ***Security:*** Our facilities are typically secured by the creation of a charge over our existing or future current assets, existing or future movable assets, book debts, receivables or stock-in-trade, lien over fixed deposits.

6. ***Validity and Repayment:*** Our working capital facilities are typically repayable on demand of the lender as well as the on the basis of a mutually agreed repayment schedule. The validity of our credit facilities typically ranges between on demand and 4 years.

7. ***Key Covenants:*** Our financing arrangements entail various conditions and covenants restricting certain corporate actions and we are required to take prior approval of the lender before carrying out such activities, without which, it would result in an event of default under the financing arrangements. For instance, certain actions prior to which our Company and its Subsidiaries is required to obtain written consent of the lenders include:

   (a) Effectuating any change in our shareholding pattern and management control in our Company and its Subsidiaries.

   (b) Undertaking any further capital expenditure except being funded by our Company or its Subsidiaries own resources.

   (c) Making any change to the name of our Company and its Subsidiaries.

   (d) Entering any borrowing arrangement with any other bank or financial institution or giving any guarantee on behalf of any other company which increases our borrowing above limits stipulated by our lenders.

   (e) Making any changes in the memorandum and articles of our Company and its Subsidiaries.

   (f) Guarantors not issuing any personal guarantee for any other loans except for the car loans, home loans, personal loans, education loans to be obtained for self and family members

8. ***Events of default:*** In terms of the loan facility, the occurrence of any of the following, among others, will constitute an event of default:

   (a) Default in payment of the loan obligations or any amount due or any part thereof.

   (b) One or more events, conditions or circumstances (including any change in law) shall occur or exist which in the reasonable opinion of the lender, could have a material adverse effect.

   (c) If we misuse the credit facility or any part thereof for any purpose other than for which the said credit facility was sanctioned.

   (d) Change in control of our Company without the prior consent of the lenders.

   (e) Any transaction document becomes ineffective, unenforceable or invalid.

   (f) Non-compliance with terms of the loan agreements

   (g) Cross Default: when any creditor of the company becomes entitled to declare any debt due and payable prior to its specified maturity as a result of an event of default.

9. ***Consequences of occurrence of events of default:*** In terms of the loan facility, upon the occurrence of events of default, our lenders may:

   (a) Terminate either whole or part of the facility agreement and declare any amount as immediately due and payable.

   (b) Accelerate the maturity of the facility and declare all amounts as payable by our Company in respect of the facility to be due and payable immediately.

   (c) Suspend or cancel further access to the facilities.

   (d) Declare the security created to be enforceable.

(e) Disclose to the RBI and any third person if called upon so about the identity of the company and the fact of its having committed any act of default

(f) Exercise any other rights available to the lender under any regulations/law or the transaction documents.

Our Lenders have not issued any notices of default to us under our loans. For risks in relation to the financial and other covenants required to be complied with in relation to our borrowings, see "*Risk Factors – Our financing agreements contain covenants that limit our flexibility in operating our business. Our inability to meet our obligations, including financial and other covenants under our debt financing arrangements could adversely affect our business, cash flows, results of operations and financial condition.*" on page 35.

SECTION VIII – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND OTHER MATERIAL DEVELOPMENTS

*Except as stated below, there are no outstanding (i) criminal proceedings (including any notices received for such criminal proceedings); (ii) actions by statutory or regulatory authorities; (iii) claims for any direct or indirect tax liabilities; or (iv) proceeding (other than proceedings covered under (i) to (iii) above) which have been determined to be material pursuant to the Materiality Policy (as disclosed herein below), involving our Company, its Subsidiaries, Directors and/or Promoters (the **"Relevant Parties")**.*

*In relation to (iv) above, our Board in its meeting held on March 4, 2023, has considered and adopted a policy of materiality for identification of material litigation / arbitration ("**Materiality Policy**"). In terms of the Materiality Policy, the following shall be considered 'material' for the purposes of disclosure in the Draft Red Herring Prospectus:*

(i) any pending litigation / arbitration proceedings involving the Relevant Parties, in which the aggregate monetary claim made by or against the Relevant Parties (individually or in the aggregate) in any such pending litigation / arbitration proceedings is equal to or exceeds 0.5% of our consolidated profit (after tax), derived from the Restated Consolidated Financial Information as at March 31, 2022. The profit (after tax) of our Company for the Fiscal 2022 is ₹ 573.69 million, and accordingly, all litigation involving our Relevant Parties in which the amount involved exceeds ₹ 2.87 million have been considered as material, if any;

(ii) any pending litigation / arbitration proceedings involving the Relevant Parties wherein the monetary liability is not quantifiable, or which does not fulfil the threshold as specified in (i) above, but the outcome of which could, nonetheless, directly or indirectly have a material adverse effect on the business, operations, performance, prospects, financial position or reputation of our Company, irrespective of the amount involved in such litigation, including any litigation initiated against the Company under the Insolvency and Bankruptcy Code, 2016, as amended; or

(iii) any pending litigation / arbitration proceedings involving the Relevant Parties where the decision in one litigation is likely to affect the decision in similar litigation, where the aggregate amount for such litigations exceeds 0.5% of the profit (after tax) of our Company derived from the Restated Consolidated Financial Information as at March 31, 2022 even though the amount involved in an individual litigation may not exceed 0.5% of our Company's profit (after tax) of our Company, derived from the Restated Consolidated Financial Information as at March 31, 2022.

Further, except as disclosed in this section, there are no (i) disciplinary actions taken against any of our Promoters by SEBI or any Stock Exchange in the five Fiscals preceding the date of this Draft Red Herring Prospectus; or (ii) litigation involving any Group Company which may have a material impact on our Company.

For the purposes of the above, pre-litigation notices received by our Company, its Subsidiaries, Directors, Group Companies or Promoters from third parties (excluding those notices issued by statutory / regulatory / tax authorities or notices threatening criminal action) have not and shall not, unless otherwise decided by our Board, be considered a material litigation until such time that our Company, its Subsidiaries or such Director, Group Companies or Promoter, as the case may be, is impleaded as a defendant in proceedings before any judicial / arbitral forum. Further, FIRs initiated by and against the Company, its Subsidiaries, its Directors, and its Promoters, if any, shall be disclosed in the Draft Red Herring Prospectus.

All terms defined in a particular litigation disclosure below are for that particular litigation only.

Further, our Board, in its meeting held on March 4, 2023, has approved that a creditor of our Company shall be considered 'material' if the amount due to such creditor is equal to or exceeds 5.00% of the consolidated trade payables of our Company as at the end of the latest period included in the Restated Consolidated Financial Information. The trade payables of our Company as on September 30, 2022, were ₹ 671.72 million. Accordingly, a creditor has been considered 'material' if the amount due to such creditor is equal to or exceeds ₹ 33.59 million as on September 30, 2022.

Unless stated to the contrary, the information provided below is as on the date of this Draft Red Herring

Prospectus.

Litigation proceedings involving our Company

I. Litigation against our company

A. *Criminal proceedings*

Except as disclosed below, as on the date of this Draft Red Herring Prospectus, there are no pending criminal proceedings involving our Company.

1. The Office of the Assistant Labour Commissioner, Indore (the "**Complainant**") filed a complaint dated October 5, 2021, against the representatives of our Company, the assistant vice president and the operation manager of our Company, as on the date of filing of the complaint, Santoshlal and Niraj Kumar Nikhil respectively (the **"Defendants")** before the Chief Judicial Magistrate, Indore alleging a violation under sections 19, 26 and 27 of the Payment of Bonus Act, 1965 (the "**Act**"). The Complainant alleged that the Defendants, *inter alia,* (i) did not pay bonus to the employees within the prescribed time period under the Act, and (ii) the information to be maintained mandatorily by the Defendants in the prescribed format under sections 26 and 27 under the Act was not maintained at the time of the inspection conducted by an inspector of the Labour Department, Government of Madhya Pradesh on March 3, 2021. The matter is currently pending.

2. The Office of the Assistant Labour Commissioner, Indore (the "**Complainant**") filed a complaint dated October 5, 2021 against the assistant vice president and the operation manager of our Company , as on the date of filing of the complaint, Santoshlal and Niraj Kumar Nikhil respectively (the **"Defendants")** before the Chief Judicial Magistrate, Indore alleging a violation under section 7B (2) of the Payment of Gratuity Act, 1972 (the "**Act**") and rules 4 and 20 of the Payment of Gratuity (Central) Rules, 1972 (the "**Rules**"). The Complainant alleged that the Defendants (i) did not display a notice at our Company's establishment specifying the name and designation of the officer of our Company authorised to receive notices on our behalf under the Act and the Rules and the abstract of the Act at our Company's establishment as required under the Rules, and (ii) certain records were not produced by the Defendants at the time of the inspection conducted by an inspector of the Labour Department, Government of Madhya Pradesh on March 3, 2021, violating section 7B (2) of the Act. The matter is currently pending.

3. Our Company has received summons dated December 8, 2022, to respond to alleged violations under the Minimum Wage Act, 1948 from the Labour Court, Ahmedabad. The matter is currently pending.

B. *Actions by statutory or regulatory authorities*

Except as disclosed below, as on the date of this Draft Red Herring Prospectus, there are no pending actions initiated by statutory or regulatory authorities against our Company.

1. The Labour Enforcement Officer (Central) – V ("**Labour Officer**") filed an application dated July 28, 2011, against our Company before the Regional Labour Commissioner (Central), Chennai ("**Labour Commissioner**"), for non-compliance with the Minimum Wages Act, 1948, proceedings in relation to which are currently pending before the High Court of Judicature at Madras.

   The Labour Officer, based on its inspection on April 11, 2011, issued a notice dated April 11, 2011 to our Company stating that the wages payable to our employees deployed in the establishment of the Chief Commissioner of Income Tax were falling short of the minimum wages as per a Central Government notification in this regard and as the irregularities were also observed in the past, our Company was requested to show cause in writing stating the reason why the legal action should not be taken against the Company by the Deputy Chief Labour Commissioner (Central). Our Company sent a reply dated May 19, 2011, to the Labour Officer and the Deputy Chief Labour Commissioner (Central) stating that the Labour Officer did not have the jurisdiction to enforce the provisions of the notification issued by the central government under the Minimum Wages Act, 1948. However, the Labour Officer filed an application dated July 28, 2011 before the Labour Commissioner, making a claim purporting to be the difference between the minimum wages fixed by the Central Government's notification in this regard and the wages actually paid by our Company to the concerned employees aggregating to a sum of ₹ 0.49 million.

   Aggrieved by a notice issued by the Labour Commissioner to our Company pursuant to the application dated

July 28, 2011, our Company filed a writ petition dated January 24, 2012 (bearing reference number 3161 of 2012) before the High Court of Judicature at Madras, seeking, *inter alia*, (i) interim stay of all further proceedings before the Labour Commissioner pending disposal of the writ petition; and (ii) issuance of a writ of certiorari calling for the records of the Labour Commissioner pursuant to the proceedings and quash the same. Pursuant to an order dated February 17, 2012, the High Court of Judicature at Madras, granted interim stay of all further proceedings before the Labour Commissioner pending disposal of the writ petition. The matter is currently pending.

2. Our Company entered into an agreement with Keolis Hyderabad Mass Rapid Transit System Private Limited on June 30, 2018, to provide ticketing and cash management services at the site of the Hyderabad Metro Rail Project which had been awarded to L&T Metro Rail (Hyderabad) Limited ("**L&T**") to undertake the development of the rail system. Our Company received a notice dated March 9, 2021 (the "**Notice**") issued by the Labour Enforcement Officer (Central) II, Hyderabad (the "**Labour Officer**") alleging that during the Labour Officer's inspection on March 9, 2021, the Labour Officer observed violation by our Company under the provisions of the Minimum Wages Act, 1948 in relation to the contract labours deployed at the site. Further, the Labour Officer made an application dated July 15, 2021 before the Regional Labour Commissioner (Central), Hyderabad ("**Labour Commissioner**") under Section 20 of the Minimum Wages Act claiming the alleged differential wages and on September 14, 2021. Our Company responded to the summons issued by the Labour Commissioner dated August 16, 2021 and the claim application dated July 15, 2021, stating that the Labour Officer did not have the jurisdiction to enforce the provisions of the notification issued by the central government under the Minimum Wages Act, 1948. Thereafter, L&T filed a writ petition dated March 2, 2022, before the High Court of Telangana seeking interim stay order and issue writ of prohibition against the pending proceedings before the Labour Commissioner. The High Court pursuant to an order dated March 4, 2022, granted stay of all further proceedings before the Labour Officer and the Labour Commissioner in connection with the Notice valid till April 1, 2022. The matter is currently pending.

C. ***Other material proceedings***

As on the date of this Draft Red Herring Prospectus, there are no other pending proceedings initiated against our Company, which have been considered material by our Company in accordance with the Materiality Policy.

II. Litigation proceedings initiated by our Company

A. ***Criminal proceedings***

Except as disclosed below, as on the date of this Draft Red Herring Prospectus, there are no pending criminal proceedings initiated by our Company.

1. Our Company has filed 11 individual cases before various judicial forums for alleged violation of section 138 of the Negotiable Instruments Act, 1881, for recovery of amounts due to our Company for which cheques issued in favour of our Company by our debtors have been dishonoured. These include: 1) a case against A.V. Industries and its partner, Vinod Khanna; 2) nine cases against OMR Escapade and its partner, Ranjith Baba; and 3) a case against S. Rajeshwari, M. Shanmugam and P. Sivakumar. The total monetary value involved in all these matters is ₹ 3.04 million in the aggregate. These matters are currently pending.

2. N. Sivasankar, our Deputy General Manager as on the date of filing of the complaint, filed a first information report dated June 7, 2022 ("**FIR**") before Police Station CCB-I, Chennai on behalf of our Company against Shakthi Arun, erstwhile manager of our Company and ten other employees of our Company who were working under him (the "**Defendants**"). at the site of one of our customers, alleging creation of a fake attendance list, and misappropriation of funds through payment of salary in the name of fictitious persons forming part of a fake list that was created by one of the employees. The FIR further alleges that the Defendants forged the documents and misappropriated ₹ 7.20 million which is punishable under section 420 read with section 34 of the Indian Penal Code, 1860. A complaint was also filed in this regard before the Commissioner of Police, Vepperi on November 16, 2021. The matter is currently pending.

B. ***Other material proceedings***

Except as disclosed below, on the date of this Draft Red Herring Prospectus, there are no other pending proceedings initiated by our Company, which have been considered material by our Company in accordance with the Materiality Policy.

1. Our Company and its Subsidiary, Tangy Supplies and Solutions Private Limited (the "**Petitioners**") filed a petition dated April 26, 2017 against K.G. Manikandan (the "**Defendant**") before the High Court of Judicature at Madras, alleging loss of business, reputation and customers due to the indulgence of the Defendant in activities detrimental to interest of the Petitioners. The Petitioners further alleged that the Defendant while holding the position of Assistant Vice President – Corporate in our Company and director of our Subsidiary, Tangy Supplies and Solutions Private Limited promoted two other companies, namely Adaptio Facility Management Private Limited, and Livery Supplied and Solutions Private Limited, which are in the same line of business as the Petitioners, through his friends and relatives, thereby breaching trust and provisions of the non-compete agreement. The Petitioners, pursuant to their petition, have claimed a compensation amounting to ₹ 5.00 million along with interest at the rate of 12% per annum from the date of petition till the date of actual realization of the amount by the Petitioners. The matter is currently pending.

2. Our Company issued various written representations and a legal notice dated July 17, 2020, addressed to the Employees' State Insurance Corporation (the "**Respondent**"), for a refund of payment of ₹ 10.90 million made by our Company under the mistaken belief of the applicability of the Employee State Insurance Act, 1948 (the "**Act**"). Our Company alleged that it, under the assumption that its employees are covered under the Act contributed 6.50% of their salary as a contribution to employee's state insurance. However, the Respondent informed our Company through a letter dated December 23, 2019, that since our employees were earning wages more than ₹ 21,000, they are not eligible for the benefits under the provisions of the Act and there is no provision of voluntary coverage under the Act. Our Company, thereafter, filed a writ petition dated January 29, 2020, against the Respondent before the High Court of Delhi, seeking a refund of payment. The matter is currently pending.

C. *Claims related to direct and indirect taxes*

Except as disclosed below, as on the date of this Draft Red Herring Prospectus, there are no pending claims related to direct and indirect taxes involving our Company.

S.no	Nature of case	Number of cases	Aggregate amount involved* (*in ₹ million*)
1	Direct tax	2	0.05
2	Indirect tax**	Nil	Nil
Total		**2**	**0.05**

** To the extent quantifiable*

*** Our Company have received certain intimations/notice seeking clarification/reconciliations highlighting differences based on filed returns. Tax implications with respect to these differences amounts to ₹ 146.58 million. Detailed replies with respect to above intimations have been filed by the company and its subsidiaries. No further communication has been received from the authorities regarding the same.*

Note:

1) The Gujarat Panchayats and Municipal Corporations has made claim against the Company for amount ₹ 5.61 million in respect of Professional Tax. Our Company has filed the appeal at Court of Professional Tax Officer and Taluka Development Officer at Sanand and deposited the said amount under protest.

2) The Company has claimed a deduction under Section 80JJAA of the Income tax Act for the Financial Year 2019-20 amounting to ₹ 445.29 million. Our Company had filed a belated return of income on January 24, 2020 claiming the said deduction (due date for the said Financial Year being October 2019 for the Company). The Company had filed an application with Central Board of Direct Taxes ("CBDT") on January 30, 2020 to condone the delay in filing the return of income on the grounds that due to unavoidable circumstances there was a delay in finalization of audit and books of accounts leading to delay in filing of return of income. The said application has not been disposed till date.

Litigation proceedings involving our Subsidiaries

A. *Criminal proceedings*

As on the date of this Draft Red Herring Prospectus, there are no pending criminal proceedings involving our Subsidiaries.

B. *Actions by statutory or regulatory authorities*

As on the date of this Draft Red Herring Prospectus, there are no pending actions taken by statutory or regulatory authorities against our Subsidiaries.

C. ***Claims related to direct and indirect taxes***

Except as disclosed below, as on the date of this Draft Red Herring Prospectus, there are no pending claims related to direct and indirect taxes involving our Subsidiaries.

S.no	Nature of case	Number of cases	Aggregate amount involved* (*in ₹ million*)
1	Direct tax	65	65.69
2	Indirect tax**	Nil	Nil
Total		**65**	65.69

** To the extent quantifiable*
*** Our Subsidiaries have received certain intimations/notice seeking clarification/reconciliations highlighting differences based on filed returns. Tax implications with respect to these differences amounts to ₹ 42.96 million. Detailed replies with respect to above intimations have been filed by the company and its subsidiaries. No further communication has been received from the authorities regarding the same.*

D. ***Other pending proceedings***

Except as disclosed below, as on the date of this Draft Red Herring Prospectus there are no other pending proceedings involving our Subsidiaries, which have been considered material by our Company in accordance with the Materiality Policy.

1. Our Company and its Subsidiary, Tangy Supplies and Solutions Private Limited ("**Petitioners**") filed a petition dated April 26, 2017 against K.G. Manikandan ("**Defendant**") before the High Court of Judicature at Madras, alleging loss of business, reputation and customers due to the alleged indulgence of the Defendant in activities detrimental to interest of the Petitioners. For further details, see "- *Litigation proceedings involving our Company – Litigation proceedings initiated by our Company – other material proceedings*" on page 555. The matter is currently pending.

2. Our Subsidiary, Global Flight Handling Services Private Limited ("**GFHSPL**") entered into a service agreement with SpiceJet Limited and Jet Airways (India) Limited (collectively the "**Airlines**") for providing flight handling services starting in the year 2016. Under applicable guidelines / circulars, the Airport Authority of India ("**AAI**") was levying a royalty fee at the rate of 13% of the gross turnover from the Airlines on the charges paid by the Airlines for the ground handling activity at Chennai Airport. While the Airlines were liable to pay the said 13% royalty, GFHSPL was requested by the Airlines to pay the same at the outset and thereafter collect it from the Airlines. Subsequently this royalty fee was increased to 32.5% by AAI. GFHSPL alleged that it was only making the payment towards the royalty fee for and on behalf of the Airlines and would subsequently get it reimbursed from the Airlines.

   The executive director (operations) at AAI, as on the date of the tender, floated a tender in the year 2020 ("**Tender**") for the grant of concession for ground handling services at various airports. One of the conditions for participating in the Tender was that the participant should not have any dues payable to the AAI and a no due certificate ("**NDC**") must be obtained from the AAI. When GFHSPL requested the AAI authorities to issue the NDC, the AAI authorities allegedly claimed some arrears due and payable by the GFHSPL towards differential royalty due to short payment of royalty fee over the period of five years. An e-mail dated July 22, 2017 was sent by the AAI stating that upon chartered accountant's verified certificate submitted on July 10, 2020, the royalty outstanding dues calculated for the period from April 2016 to March 2019 was arrived at ₹ 8.71 million. Further, royalty outstanding as per AAI's records for the period starting from January 2015 to March 2016 was arrived at ₹ 15.46 million.

   GFHSPL, thereafter, filed a writ petition before the Madras High Court challenging the claim of royalty amount by AAI and seeking (i) an interim stay on the demand made under e-mail communication dated July 22, 2020, (ii) interim direction directing AAI to issue NDC to GFHSPL, and (iii) interim injunction restraining AAI from proceeding with the Tender for grant of concession without considering GFHSPL. An order was passed by the Madras High Court on August 21, 2020 permitting GFHSPL to submit a tender to the AAI subject to the outcome of the ongoing writ petition. The matter is currently pending.

Litigation proceedings involving our Directors

A. ***Criminal proceedings***

Except as disclosed below, as on the date of this Draft Red Herring Prospectus, there are no pending criminal proceedings involving any of our Directors.

1. Tamil Nadu Chemists and Druggists Educational Trust represented by its executive trustee, K.K. Selvan (the "**Complainant**") filed a first information report dated March 17, 2022 (the "**FIR**") before the police station at Vepery, Chennai against several persons including our Chairman and Managing Director and Promoter, Raghunandana Tangirala alleging that he was wrongfully sold a property on April 11, 2007 at Okkiam Thoraipakkam village, Kancheepuram District, Chennai (the "**Property**"). It was further alleged that he was fraudulently sold the property by a representative of Harish Mehta and Uday Mehta who claim to be the legal heirs of the Property and who have allegedly forged the Property documents and sold it to Raghunandana Tangirala. The matter is currently pending.

B. ***Actions by statutory or regulatory authorities***

As on the date of this Draft Red Herring Prospectus, there are no pending actions by statutory or regulatory authorities against any of our Directors.

C. ***Claims related to direct and indirect taxes***

Except as disclosed below, as on the date of this Draft Red Herring Prospectus, there are no pending claims related to direct and indirect taxes involving any of our Directors.

S.no	Nature of case	Number of cases	Aggregate amount involved* (*in* ₹ *million*)
1	Direct tax	3	19.89
2	Indirect tax	Nil	Nil
Total		3	19.89

** To the extent quantifiable*

D. ***Other pending proceedings***

Except as disclosed below, as on the date of this Draft Red Herring Prospectus there are no other pending proceedings against any of our Directors, which have been considered material by our Company in accordance with the Materiality Policy.

1. Prapancha Owners and Residents Welfare Association ("**Plaintiff**") filed a civil suit dated April 4, 2019 (the "**Suit**") against Raghunandana Tangirala, Chairman and Managing Director of our Company, and Shree Ayshwarya Foundations (collectively, the "**Defendants**") before Principal District Court, Chengalpet, Kancheepuram, Tamilnadu seeking a permanent injunction to restrain the Defendants from interfering with the peaceful possession of the property of the Plaintiff located in Thoraipakkam, Chennai. The matter is currently pending.

Litigation proceedings involving our Promoters

A. ***Criminal proceedings***

Except as disclosed below, as on the date of this Draft Red Herring Prospectus, there are no pending criminal proceedings involving our Promoters.

1. Tamil Nadu Chemists and Druggists Educational Trust represented by its executive trustee, K.K. Selvan (the "**Complainant**") filed a first information report dated March 17, 2022 (the "**FIR**") before the police station at Vepery, Chennai against several persons including our Chairman and Managing Director and Promoter, Raghunandana Tangirala. For further details, see *"-Litigations involving our Directors – Criminal Proceedings"* on page 557.

B. ***Actions by statutory or regulatory authorities***

As on the date of this Draft Red Herring Prospectus, there are no pending actions initiated by statutory or regulatory authorities against our Promoters.

C. ***Claims related to direct and indirect taxes***

Except as disclosed below, as on the date of this Draft Red Herring Prospectus, there are no pending claims related to direct and indirect taxes involving any of our Promoters.

S.no	Nature of case	Number of cases	Aggregate amount involved* (*in ₹ million*)
1	Direct tax	4	41.06
2	Indirect tax	Nil	Nil
Total		**4**	41.06

** To the extent quantifiable*

D. ***Other pending proceedings***

Except as disclosed below, as on the date of this Draft Red Herring Prospectus there are no other pending proceedings initiated involving any of our Promoters, which have been considered material by our Company in accordance with the Materiality Policy.

1. Prapancha Owners and Residents Welfare Association ("**Plaintiff**") filed a civil suit dated April 4, 2019 (the "**Suit**") against Raghunandana Tangirala, the Chairman and Managing Director and a Promoter of our Company, and Shree Ayshwarya Foundations (collectively, the "**Defendants**"). For details, see *"-Litigations involving our Directors – other pending proceedings*" on page 557.

E. ***Disciplinary action taken against our Promoters in the five Fiscals preceding the date of this Draft Red Herring Prospectus by SEBI or any stock exchange***

No disciplinary action has been taken against our Promoters in the five Fiscals preceding the date of this Draft Red Herring Prospectus either by SEBI or any stock exchange.

Outstanding dues to small scale undertakings or any other creditors

In terms of the Materiality Policy, such creditors are considered 'material' to whom the amount due exceeds 5.00% of the trade payables of our Company as on September 30, 2022. Based on this, our Company owed a total sum of ₹ 671.72 million to a total number of 2,312 creditors as on September 30, 2022. The details of our outstanding dues to the 'material' creditors of our Company, MSMEs, and other creditors, as on September 30, 2022, are as follows:

Types of Creditors	Number of creditors	Amount due (in ₹ million)
Micro, small or medium enterprises	268	101.46
Material creditors	Nil	Nil
Other creditors	2,044	570.26
Total	2,312	671.72

The details pertaining to net outstanding dues towards our material creditors are available on the website of our Company at www. Uds.in/Investor-Relations/Material_Creditors.

Material Developments

Except as stated in the section "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 495, there have not arisen, since the date of the last financial statement disclosed in this Draft Red Herring Prospectus, any circumstances which materially and adversely affect or are likely to affect our profitability taken as a whole or the value of our assets or our ability to pay our liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

Except as disclosed herein, we have obtained all material consents, licenses, registrations, permissions and approvals from various governmental, statutory and regulatory authorities, which are necessary for undertaking the current business activities and operations of our Company and our material subsidiaries. Except as disclosed below, no further approvals are material for carrying on the present business operations of our Company or our material subsidiaries. In the event any of the approvals and licenses that are required for our business operations expire in the ordinary course, we make applications for their renewal from time to time. Unless otherwise stated, these approvals are valid as on the date of this Draft Red Herring Prospectus. For details in connection with the regulatory and legal framework within which our Company operates, see "Key Regulations and Policies" on page 228.

We have also set out below, (i) material approvals or renewals applied for but not received; and (ii) material approvals expired and renewal yet to be applied for.

I. Approvals relating to the Offer

For details regarding the approvals and authorisations obtained by our Company in relation to the Offer, see "*Other Statutory and Regulatory Disclosures – Authority for the Offer*" on page 564.

II. Material approvals in relation to our Company - General details of our Company*

a) Incorporation details

1. Certificate of incorporation dated November 13, 2003 issued by the RoC in the name of 'Updater Services Private Limited', with corporate identity number 'U74140TN2003PTC051955'.

2. Fresh certificate of incorporation dated March 24, 2022 issued by the RoC pursuant to conversion of our Company from a 'private limited company' to a 'public limited company' and consequential change in our name from 'Updater Services Private Limited' to 'Updater Services Limited'. The new Corporate Identity Number of our Company is 'U74140TN2003PLC051955'.

b) Tax related approvals

1. The permanent account number of our Company is 'AAACU6845J', issued by the Income Tax Department under the Income Tax Act, 1961.

2. The tax deduction account number of our Company is 'CHEU03268G', issued by the Income Tax Department under the Income Tax Act, 1961.

3. Our Company has obtained GST registration certificates issued by the Government of India and the state governments for GST payments in the states where our business operations are situated.

4. Our Company has obtained professional tax certificates, to the extent applicable, for the states where our business operations are situated.

c) Labour and employee related approvals

Our Company has obtained registrations under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and the Employees State Insurance Act, 1948.

d) Legal Identifier Code

Our Company has obtained a legal entity identifier code from Legal Entity Identifier India Limited.

e) Material approvals in relation to business and operations of our Company

To provide integrated facility management services, business support services and certain other services, our Company requires approvals and/or licenses under various state and central laws, rules, and regulations. These approvals and/or licenses, amongst others, include licenses under the respective shops and commercial establishment acts of those states, wherever enacted or in force, licenses under the Tamil Nadu Industrial Establishments (National and Festival Holidays) Act, 1958, trade licenses from the respective municipal authorities of areas, licenses to carry out electrical installation work from respective labour departments of the state governments, licenses to stock, sell and use insecticides for commercial pest control operations from respective departments of the state governmvents and licenses for carrying out the food catering business from the Food Safety Wing and Labour Department of the Government of Tamil Nadu. Further, our Company is required to obtain and maintain licenses under the provisions of the Contract Labour (Regulation and Abolition) Act, 1970, as amended (the "**CLRA Act**") for providing contract labour to our clients and get themselves registered. Every contractor to whom the CLRA Act applies, is also required to obtain a license and to not undertake or execute any work through contract labour, except under and in accordance with such license.

Further, under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, as amended (the "**Rules**") and the erstwhile regulations prevailing at the time of the foreign direct investment from India Business Excellence Fund - IIA in 2017, foreign direct investment up to 49% was permitted in private security agencies with prior Government approval. Our Company through its application dated November 24, 2021 to the Secretary, DPIIT, sought post facto approval. However, we received a letter dated May 13, 2022 from the Under Secretary to the Government of India, Police Modernisation Division, Ministry of Home Affairs, Government of India, permitting our Company to file a fresh application seeking approval if the Company is engaged only in activities regulated by the Private Security Agencies (Regulation) Act, 2005. Since the private security agency services is a small fraction of our Company's business and only incidental to our integrated facilities management services, our Company is not engaged only in activities regulated by the Private Security Agencies (Regulation) Act, 2005. For details of the risks relating to the private security agency services not being covered under the automatic route, see "*Risk Factors – Our Company received foreign direct investment in the year 2017 under the automatic route, though private security agency services (which contributed to less than 3.00% of our Company's revenue) was not covered under the automatic route. Any action by the regulatory or statutory authority may affect our business and prospects.*" on page 46.

Our Company has obtained the necessary permits, licenses and approvals from the appropriate regulatory and governing authorities required to carry out our operations. Certain approvals may have lapsed in their normal course, and we have either made applications to the appropriate authorities for renewal of such licenses and approvals or are in the process of making such applications.

For details of the risks relating to the material approvals required for undertaking our business, see "*Risk Factors – We may be required to receive or renew certain approvals or licenses required in the ordinary course of business or to commence new businesses. Failure to obtain or maintain or renew licenses, registrations, permits and approvals may adversely affect our business, cash flows and results of operations.*" on page 48.

III. Approvals in relation to our material subsidiaries

A. General details of Matrix Business Services India Private Limited ("Matrix")

a) Incorporation details

1. Certificate of incorporation dated August 29, 2003 issued by the RoC in the name of 'Mavis Business Services Private Limited', with corporate identity number 'U74140TN2003PTC051482'.

2. Fresh certificate of incorporation dated March 17, 2006 issued by the RoC pursuant to change of name from 'Mavis Business Services Private Limited' to 'Matrix Business Services India Private Limited'.

b) Tax related approvals

1. The permanent account number of Matrix is 'AADCM6654L', issued by the Income Tax Department under the Income Tax Act, 1961.

2. The tax deduction account number of Matrix is 'CHEM08022A', issued by the Income Tax Department under the Income Tax Act, 1961.

3. Matrix has obtained GST registration certificates issued by the Government of India and the state governments for GST payments in the states where its business operations are situated.

c) Labour and employee related approvals

Matrix has obtained registrations under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and the Employees State Insurance Act, 1948.

d) Material approvals in relation to business and operations of Matrix

Matrix has obtained approvals and/or licenses including licenses under the respective shops and commercial establishment acts of those states, wherever enacted or in force, and licenses under the Tamil Nadu Industrial Establishments (National and Festival Holidays) Act, 1958.

B. General details of Denave India Private Limited ("Denave")

a) Incorporation details

1. Certificate of incorporation dated January 12, 1999 issued by the Registrar of Companies, Karnataka at Bangalore in the name of 'Denave Software India Private Limited', with corporate identity number 'U85110DL1999PTC190362'.

2. Fresh certificate of incorporation dated January 19, 2006 issued by the Registrar of Companies, Karnataka at Bangalore pursuant to change of name from 'Denave Software India Private Limited' to 'Denave India Private Limited'.

3. Fresh certificate of incorporation dated May 15, 2009 issued by the Registrar of Companies, New Delhi and Haryana at New Delhi pursuant to change in the place of registered office from Karnataka to New Delhi.

b) Tax related approvals

1. The permanent account number of Denave is 'AABCD0052F', issued by the Income Tax Department under the Income Tax Act, 1961.

2. The tax deduction account number of Denave is 'DELD11360G', issued by the Income Tax Department under the Income Tax Act, 1961.

3. Denave has obtained GST registration certificates issued by the Government of India and the state governments for GST payments in the states where its business operations are situated.

4. Denave has obtained professional tax certificates, to the extent applicable, for the states where its business operations are situated.

c) Labour and employee related approvals

Denave has obtained registrations under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and the Employees State Insurance Act, 1948.

d) Material approvals in relation to business and operations of Denave

Denave has obtained approvals and/or licenses including licenses under the respective shops and commercial establishment acts of those states, wherever enacted or in force.

e) Legal Identifier Code

Denave has obtained a legal entity identifier code from Legal Entity Identifier India Limited.

C. General details of Athena BPO Private Limited ("Athena")

a) Incorporation details

1. Certificate of incorporation dated January 1, 1993 issued by the Registrar of Companies, Maharashtra at Mumbai in the name of 'Andromeda Marketing Private Limited', with corporate identity number 'U51900MH1993PTC070252'.

2. Fresh certificate of incorporation dated March 19, 2012 issued by the Registrar of Companies, Maharashtra at Mumbai pursuant to change of name from 'Andromeda Marketing Private Limited' to 'Andromeda BPO Private Limited'.

3. Fresh certificate of incorporation dated August 6, 2016 issued by the Registrar of Companies, Maharashtra at Mumbai pursuant to change of name from 'Andromeda BPO Private Limited' to 'Athena BPO Private Limited'.

b) Tax related approvals

1. The permanent account number of Athena is 'AABCA6983E', issued by the Income Tax Department under the Income Tax Act, 1961.

2. The tax deduction account number of Athena is 'MUMA09485A', issued by the Income Tax Department under the Income Tax Act, 1961.

3. Athena has obtained GST registration certificates issued by the Government of India and the state governments for GST payments in the states where its business operations are situated.

4. Athena has obtained professional tax certificates, to the extent applicable, for the states where its business operations are situated.

c) Labour and employee related approvals

Athena has obtained registrations under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and the Employees State Insurance Act, 1948.

d) Material approvals in relation to business and operations of Athena

Athena has obtained approvals and/or licenses including licenses under the respective shops and commercial establishment acts of those states, wherever enacted or in force.

IV. Material approvals pending in respect of our Company

Material approvals or renewals for which applications are currently pending before relevant authorities

1. License to carry out electrical installation work from the Department of Electrical Inspectorate, Government of Karnataka;

2. Professional tax registration under the Kerala Panchayat Raj Act, 1994

3. The following licenses obtained under the provisions of the Contract Labour (Regulation and Abolition) Act, 1970, namely for – (a) AMC Medical Education Trust; (b) Expeditors International (India) Private Limited; (c) Gandhi Medical College, Bhopal; (g) Gajra Raja Medical College, Gwalior; (h) Government Medical College, Khandwa; (i) Government Medical College, Ratlam; (j) Shyam Shah Medical College, Rewa; (k) Government Medical College, Indore; and (l) Bundelkhand Medical College, Sagar.

Material approvals expired and for which renewal applications are yet to be made

1. License obtained under the provisions of the Contract Labour (Regulation and Abolition) Act, 1970, for IIM Calcutta.

V. Material approvals pending in respect of our material subsidiaries

(i) Material approvals or renewals for which applications are currently pending before relevant authorities

Nil

(ii) Material approvals expired and for which renewal applications are yet to be made

Nil

VI. Intellectual Property

Trademarks

Company

Our Company has obtained a trademark registration for "*UDS, DO MORE (device)*" under class 35 of the Trade Marks Act, 1999.

Further, our Company has made an application for registration of "*UDS Do More… Business Services (device)*" trademark under class 35 of the Trade Marks Act, 1999.

Material subsidiaries

Matrix

Matrix has made applications for registration of trademark "*NX Matrix… rest assured*" under class 42 of the Trade Marks Act, 1999.

Denave

Denave has obtained four trademark registrations for "*Denave Learning Centre (device)*" under class 38, "*Tselina Biz – Intelligence on the Move (device)*" under class 16, "*Tselina (device)*" under class 42 and "*Denave (word)*" under class 99 of the Trade Marks Act, 1999.

Athena

Athena has obtained seven trademark registrations for "*Athena BPO (label)*" under class 16, 35 and 42, "*www.athenabpo.com (word)*" under class 38, "*Athena (word)*" under class 16, 35 and 38 of the Trade Marks Act, 1999.

Athena has made an application for registration of trademark "*Athena BPO (label)*" under class 38 of the Trade Marks Act, 1999 and an application for registration of trademark "*Athena (word)*" under class 42 of the Trade Marks Act, 1999.

** Our Company was converted from a private limited company to a public limited company pursuant to our Shareholder's resolution dated February 22, 2022, and consequently the name of our Company was changed to our present name i.e., "Updater Services Limited" pursuant to a fresh certificate of incorporation dated March 24, 2022, issued by the RoC consequent upon conversion to public limited company. Our Company is in the process of completing the filing of necessary applications with relevant statutory and regulatory authorities for reflecting the change of name of the Company, pursuant to conversion from a private limited company to a public limited company.*

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

The Offer has been authorized by a resolution of our Board dated March 21, 2023 and the Fresh Issue has been authorized by a special resolution of our Shareholders, dated March 22, 2023. Further, our Board of Directors have taken on record the consent of the Selling Shareholders to participate in the Offer for Sale pursuant to a resolution passed at its meeting held on March 21, 2023.

Our Board has approved this Draft Red Herring Prospectus pursuant to their resolution dated March 29, 2023.

Our Company, in consultation with the BRLMs, may consider Pre-IPO Placement of up to [●] Equity shares or any other securities of the Company as may be permissible, through a preferential issue or any other method as may be permitted in accordance with applicable law, to any person(s), for a cash consideration aggregating up to ₹ 800.00 million, at its discretion, between the date of this Draft Red Herring Prospectus till the filing of the Red Herring Prospectus with the RoC, subject to appropriate approvals. If the Pre-IPO Placement is completed, the Fresh Issue size will be reduced to the extent of such Pre-IPO Placement, subject to the offer complying with rule 19(2)(b) of the SCRR.

Each of the Selling Shareholders have, severally and not jointly, authorized and confirmed the transfer of its respective portion of the Offered Shares pursuant to the Offer for Sale, as set out below:

S. No.	Name of the Selling Shareholder	Number of Offered Shares in the Offer for Sale	Date of Selling Shareholders' Consent Letter	Date of corporate authorization / board resolution
Promoter Group Selling Shareholder				
1.	Tangi Facility Solutions Private Limited	Up to 6,650,000 Equity Shares aggregating up to ₹ [●] million	March 21, 2023	March 21, 2023
Investor Selling Shareholders				
2.	India Business Excellence Fund – II	Up to 1,330,000 Equity Shares aggregating up to ₹ [●] million	March 21, 2023	March 21, 2023
3.	India Business Excellence Fund – IIA	Up to 5,320,000 Equity Shares aggregating up to ₹ [●] million	February 14, 2023	February 14, 2023

Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively.

Prohibition by SEBI or other Governmental Authorities

Our Company, our Promoters, our Directors, the members of the Promoter Group and each of the Selling Shareholders have not been prohibited from accessing or operating the capital markets and have not been debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any other authority/court.

Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018

Our Company, our Promoters, the members of the Promoter Group and each of the Selling Shareholders, severally and not jointly, confirm that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent in force and applicable, as on the date of this Draft Red Herring Prospectus.

Directors associated with the Securities Market

None of our Directors are, in any manner, associated with the securities market.

There are no outstanding action(s) initiated by SEBI against the Directors of our Company in the five years preceding the date of this Draft Red Herring Prospectus.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with Regulation 6(1) of the SEBI ICDR Regulations, and is in compliance with the conditions specified therein in the following manner:

(a) Our Company has had net tangible assets of at least ₹ 30 million, calculated on a restated and consolidated basis, in each of the preceding three full years (of 12 months each), of which not more than 50% are held in monetary assets for Financial Year ended March 31, 2020, Financial Year ended March 31, 2021 and Financial Year ended March 31, 2022;

(b) Our Company has an average operating profit of at least ₹ 150 million, calculated on a restated and consolidated basis, during the preceding three years (of 12 months each), with operating profit in each of these preceding three years;

(c) Our Company has a net worth of at least ₹ 10 million in each of the preceding three full years (of 12 months each), calculated on a restated and consolidated basis; and

(d) Our Company was converted into a public limited company, and consequently, a fresh certificate of incorporation dated March 24, 2022 was issued by the RoC recording the change of our Company's name from 'Updater Services Private Limited' to our present name i.e. 'Updater Services Limited'. No change in business activity is indicated by our present name and there has not been any change in the business activities of our Company.

Our Company's net tangible assets, monetary assets, monetary assets as a percentage of the net tangible assets, restated pre-tax operating profits and net worth, on a consolidated basis, derived from the Restated Consolidated Financial Information included in this Draft Red Herring Prospectus, as at and for the Financial Years ended March 31, 2020, 2021 and 2022 is set forth below:

(*₹ in million, unless otherwise stated*)

Particulars	As at and for the Financial Year ended		
	March 31, 2020	March 31, 2021	March 31, 2022
Net tangible assets [(1)]	1,583.65	1,997.41	1,506.49
Monetary assets[(2)]	246.62	638.10	710.17
Monetary assets as a percentage of net tangible assets (in %)	15.57%	31.95%	47.14%
Restated pre-tax operating profits [(3)]	423.63	510.78	616.68
Net worth[(4)]	2,393.33	2,852.63	3,404.26

Note:

1. *Net tangible assets mean the sum of all net assets of the Company, excluding intangible assets as defined in Indian Accounting Standard (Ind AS) 38, deferred tax assets(net) as defined under Indian accounting standard (Ind AS) 12, Right-of-use assets and Lease liabilities as defined under Indian accounting standard (Ind AS) 116, Goodwill as defined under Indian accounting standard (Ind AS) 103 as applicable, issued by the Institute of Chartered Accountants of India*
2. *Monetary assets mean cash, cash equivalents and bank deposits*
3. *Pre-tax operating profit means restated profit before tax excluding other income, finance income and finance costs.*
4. *Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.*

Our Company has operating profits in each of Financial Year ended March 31, 2020, March 31, 2021, and March 31, 2022 derived from our Restated Consolidated Financial Information.

We are currently eligible to undertake the Offer as per Rule 19(2)(b) of the SCRR read with Regulations 6(1) of the SEBI ICDR Regulations. Accordingly, in terms of Regulation 32(1) of the SEBI ICDR Regulations we are required to allocate: (i) not more than 50% of the Net Offer to QIBs, 5% of which shall be allocated to Mutual Funds exclusively; (ii) not less than 15% of the Net Offer to Non-Institutional Bidders; and (iii) not less than 35% of the Net Offer to RIBs, subject to valid Bids being received at or above the Offer Price. In the event we fail to do so, the full application money shall be refunded to the Bidders.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees under the Offer shall be not less than 1,000; and should our Company fail to do so, the Bid Amounts received by our Company shall be refunded to the Bidders, in accordance with the SEBI ICDR Regulations and applicable law.

Our Company confirms that it is in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable, and will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

Further, our Company confirms that it is not ineligible to make the Offer in terms of Regulation 5 and 7(1) of the SEBI ICDR Regulations, to the extent applicable. The details of our compliance with Regulation 5 of the SEBI ICDR Regulations are as follows:

(a) None of our Company, our Promoters, members of our Promoter Group, our Directors or any of the Selling Shareholders are debarred from accessing the capital markets by the SEBI.

(b) None of our Promoters or Directors are promoters or directors of companies which are debarred from accessing the capital markets by the SEBI.

(c) None of our Company, our Promoters or Directors is a Wilful Defaulter or a Fraudulent Borrower.

(d) None of our Promoters or Directors has been declared a fugitive economic offender in accordance with the Fugitive Economic Offenders Act, 2018.

(e) Except for such options granted to employees of our Company as set out in "*Capital Structure*" on page 94, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive Equity Shares, as on the date of this Draft Red Herring Prospectus.

(f) The Equity Shares of our Company held by our Promoters are in dematerialised form.

(g) The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing of this Draft Red Herring Prospectus; and

(h) There is no requirement for us to make firm arrangements of finance under Regulation 7(1)(e) of the SEBI ICDR Regulations through verifiable means towards 75% of the stated means of finance.

Each of the Selling Shareholders, severally and not jointly, confirms that it has held its respective portion of Offered Shares in accordance with applicable law, and that it is in compliance with Regulation 8 of the SEBI ICDR Regulations and are eligible for being offered in the Offer for Sale.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS, IIFL SECURITIES LIMITED, MOTILAL OSWAL INVESTMENT ADVISORS LIMITED AND SBI CAPITAL MARKETS LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS, THE BRLMs ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE SELLING SHAREHOLDERS (TO THE EXTENT OF STATEMENTS CONFIRMED OR UNDERTAKEN BY THEM IN THIS DRAFT RED HERRING PROSPECTUS IN RELATION TO THEMSELVES AND FOR THEIR RESPECTIVE PORTION OF THE OFFERED SHARES) DISCHARGE THEIR

RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BRLMS HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED MARCH 29, 2023 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER, ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS.

All legal requirements pertaining to the Offer will be complied with at the time of filing of the Red Herring Prospectus with the Registrar of Companies in terms of Section 32 of the Companies Act, 2013. All legal requirements pertaining to the Offer will be complied with at the time of filing of the Prospectus with the Registrar of Companies in terms of sections 26, 32, 33(1) and 33(2) of the Companies Act, 2013.

Disclaimer from our Company, our Directors, the Selling Shareholders and the Book Running Lead Managers

Our Company, our Directors, Selling Shareholders and the Book Running Lead Managers accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website, www.Uds.in, or the website of any affiliate of our Company and its Group Companies or any of the Selling Shareholders, would be doing so at his or her own risk. It is clarified that, each Selling Shareholder and its respective directors, partners, affiliates, associates and officers accept or undertake no responsibility for any statements other than those specifically made or undertaken or confirmed by such Selling Shareholder in relation to itself and/ or their respective portion of the Offered Shares.

The Book Running Lead Managers accept no responsibility, save to the limited extent as provided in the Offer Agreement and as will be provided for in the Underwriting Agreement to be entered into between the Underwriters, the Selling Shareholders, and our Company.

All information shall be made available by our Company, the Selling Shareholders, severally and not jointly (to the extent that the information pertain to themselves and their respective portions of the Offered Shares through the Offer Documents), and the Book Running Lead Managers to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at Bidding Centres or elsewhere.

Prospective investors who Bid in the Offer will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, Underwriters, Book Running Lead Managers and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholders, Underwriters, Book Running Lead Managers and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The Book Running Lead Managers and their respective associates and affiliates in their capacity as principals or agents may engage in transactions with, and perform services for, our Company, our Promoters, members of the Promoter Group, Subsidiaries, the Selling Shareholders and their respective directors and officers, group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, its directors, the Promoters, officers, agents, the Selling Shareholders and their respective group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation. As used herein, the term 'affiliate' means any person or entity that controls or is controlled by or is under common control with another person or entity.

Disclaimer in respect of Jurisdiction

Any dispute arising out of the Offer will be subject to the jurisdiction of appropriate court(s) in Chennai only.

The Offer is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in equity shares, domestic Mutual Funds registered with the SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in shares, state industrial development corporations, permitted insurance companies registered with IRDAI, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, permitted provident funds (subject to applicable law) and pension funds, National Investment Fund, insurance funds set up and managed by the army and navy or air force of Union of India and insurance funds set up and managed by the Department of Posts, India, systemically important NBFCs registered with the RBI and permitted Non-Residents including FPIs and Eligible NRIs, AIFs and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares.

This Draft Red Herring Prospectus does not constitute an invitation to subscribe to or purchase the Equity Shares in the Offer in any jurisdiction, including India. Invitations to subscribe to or purchase the Equity Shares in the Offer will be made only pursuant to the Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Offer, which comprises the Red Herring Prospectus and the preliminary international wrap for the Offer, if the recipient is outside India. **No person outside India is eligible to Bid for Equity Shares in the Offer unless that person has received the preliminary offering memorandum for the Offer, which contains the selling restrictions for the Offer outside India.**

Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions.

Neither the delivery of this Draft Red Herring Prospectus or any offer for sale thereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company or the Selling Shareholders from the date of this Draft Red Herring Prospectus or that the information contained herein is correct as of any time subsequent to this date.

Eligibility and Transfer Restrictions

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in offshore transactions in reliance on Regulation S and the applicable laws of each jurisdictions where such offers and sales are made.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than in accordance with applicable laws.

Disclaimer Clause of BSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to the RoC filing.

Disclaimer Clause of NSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to the RoC filing.

Listing

The Equity Shares offered pursuant to the Red Herring Prospectus and the Prospectus are proposed to be listed on BSE and NSE. [●] will be the Designated Stock Exchange with which the Basis of Allotment will be finalised. Applications will be made to BSE and NSE for obtaining their permission for the listing and trading of the Equity Shares.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges are taken within six Working Days from the Bid/ Offer Closing Date or within such other period as may be prescribed. Each of the Selling Shareholders, severally and not jointly, confirms that it shall extend reasonable support and co-operation (to the extent of its portion of the Offered Shares) as required by law for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within six Working Days from the Bid/Offer Closing Date, or within such other period as may be prescribed.

If our Company does not Allot the Equity Shares within six Working Days from the Bid/Offer Closing Date or within such timeline as prescribed by SEBI, all amounts received in the Public Offer Accounts will be transferred to the Refund Account and it shall be utilised to repay, without interest, all monies received from Bidders, failing which interest shall be due to be paid to the Bidders as prescribed under applicable law. For avoidance of doubt, no liability to make any payment of interest or expenses shall accrue to any Selling Shareholder unless the delay in making any of the payments/refund hereunder or the delay in obtaining listing or trading approvals or any other approvals in relation to the Offer is caused solely by, and is directly attributable to, an act or omission of such Selling Shareholder and to the extent of its portion of the Offered Shares.

Consents

Consents in writing of each of the Selling Shareholders, our Directors, our Company Secretary and Compliance Officer, the Independent Chartered Accountant, legal counsel to our Company as to Indian law, legal counsel to the Book Running Lead Managers as to Indian law, Bankers to our Company, the Book Running Lead Managers, the Registrar to the Offer, and Frost & Sullivan have been obtained; and consents in writing of the Monitoring Agency, Syndicate Members, Public Offer Account Bank(s), Sponsor Banks, Escrow Collection Bank(s) and Refund Bank(s) to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus with the RoC as required under the Companies Act and such consents shall not be withdrawn up to the time of filing of the Red Herring Prospectus with the RoC.

Expert to the Offer

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent dated March 29, 2023 from S. R. Batliboi & Associates LLP, to include their name as required under section 26(1) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report, dated March 25, 2023 on our Restated Consolidated Financial Information; and (ii) report dated March 29, 2023 on the Statement of Special Tax Benefits in this Draft Red Herring Prospectus, and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

Our Company has also received written consent dated March 29, 2023 from Lodha & Co, Chartered Accountants, holding a valid peer review certificate from ICAI, to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus as an "expert" as defined under Section 2(38) of the Companies Act, 2013, in respect of various certifications issued by them in their capacity as independent chartered accountant to our Company.

Such consents have not been withdrawn as on the date of this DRHP.

Particulars regarding public or rights issues by our Company during the last five years and performance *vis-à-vis* objects

Our Company has not made any public or rights issues (as defined under the SEBI ICDR Regulations) during the five years preceding the date of this Draft Red Herring Prospectus.

Performance vis-à-vis objects – Last issue of subsidiaries and promoters

As on the date of this Draft Red Herring Prospectus, our Company does not have any corporate promoter and our Subsidiaries are not listed.

Underwriting Commission, Brokerage and Selling Commission paid on previous issues of the Equity Shares in the last five years

Since this is the initial public issue of Equity Shares, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares in the five years preceding the date of this Draft Red Herring Prospectus.

Capital issue during the previous three years by our Company

Our Company has not undertaken a capital issue in the last three years preceding the date of this Draft Red Herring Prospectus.

Capital issue during the previous three years by our Company, its listed subsidiaries, group companies or associates of our Company

Other than as disclosed in the "*Capital Structure*" on page 94 of this Draft Red Herring Prospectus, our Company has not made any public/rights/composite issues during the three years preceding the date of this Draft Red Herring Prospectus. Our Company does not have any listed subsidiaries or group companies, as on the date of this Draft Red Herring Prospectus. Further, our Company does not have any associates as on the date of this Draft Red Herring Prospectus.

Price information of past issues handled by the Book Running Lead Managers

Price information disclosed below is as per the respective designated stock exchanges as disclosed by the respective issuers at the time of their respective issues.

A. IIFL Securities Limited

1. Price information of past issues handled by IIFL Securities Limited (during the current Financial Year and two Financial Years preceding the current Financial Year):

S. No.	Issue Name	Issue Size (₹ million)	Issue price (₹)	Designated Stock Exchange as disclosed in the red herring prospectus filed	Listing Date	Opening Price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Syrma SGS Technology Limited	8,401.26	220.00	BSE	August 26, 2022	262.00	+31.11%, [-1.25%]	+29.20%, [+4.55%]	+20.66%, [+3.13%]
2.	Electronics Mart India Limited	5,000.00	59.00	NSE	October 17, 2022	90.00	+46.02%, [+6.31%]	+42.63%, [+3.72%]	N.A.
3.	Tracxn Technologies Limited	3,093.78	80.00	NSE	October 20, 2022	84.50	-10.25%, [+4.23%]	+25.13%, [+2.79%]	N.A.
4.	Fusion Micro Finance Limited	11,039.93	368.00	NSE	November 15, 2022	359.50	+9.86%, [+1.40%]	+12.84%, [-2.97%]	N.A.
5.	Bikaji Foods International Limited	8,808.45	300.00(1)	NSE	November 16, 2022	322.80	+29.15%, [+0.03%]	+27.10%, [-3.47%]	N.A.
6.	Archean Chemical Industries Limited	14,623.05	407.00	NSE	November 21, 2022	450.00	+25.42%, [+1.24%]	+56.87%, [-1.19%]	N.A.
7.	Kaynes Technology India Limited	8,578.20	587.00	NSE	November 22, 2022	778.00	+19.79%, [-0.25%]	+48.24%, [-1.64%]	N.A.
8.	Sula Vineyards Limited	9,603.49	357.00	NSE	December 22, 2022	361.00	+18.59%, [-0.55%]	-4.87%, [-5.63%]	N.A.
9.	KFin Technologies Limited	15,000.00	366.00	NSE	December 29, 2022	367.00	-13.55%, [-3.22%]	-24.56%, [-6.81%]	N.A.
10.	Radiant Cash Management Services Limited	2,566.41	94.00(2)	NSE	January 4, 2023	103.00	+2.55%, [-2.40%]	N.A.	N.A.

***Source**: www.nseindia.com; www.bseindia.com, as applicable*

(1) A discount of Rs. 15 per equity share was offered to eligible employees bidding in the employee reservation portion.

(2) Issue price for anchor investors was Rs. 99 per equity share.

Notes:

Benchmark Index taken as NIFTY 50 or S&P BSE SENSEX, as applicable. Price of the designated stock exchange as disclosed by the respective issuer at the time of the issue has been considered for all of the above calculations. The 30th, 90th and 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th /90th / 180th calendar day from listing *day is a holiday, the closing data of the previous trading day has been considered. % change taken against the Issue Price in case of the Issuer. NA means Not Applicable. The above past price information is only restricted to past 10 initial public offers.*

2. Summary statement of price information of past issues handled by IIFL Securities Limited:

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ mn.)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2022 – 2023*	12	106,650.92	-	-	4	-	4	4	-	-	-	-	1	2
2021 – 2022	17	3,58,549.95	-	-	5	-	4	8	-	6	4	3	1	3
2020 - 2021	8	47,017.65	-	-	4	2	1	1	-	1	-	3	3	1

** The information is as on the date of this Draft Red Herring Prospectus.*

Source: www.nseindia.com; www.bseindia.com, as applicable

Note: Data for number of IPOs trading at premium/discount taken at closing price of the designated stock exchange as disclosed by the respective issuer at the time of the issue has been considered on the respective date. In case any of the days falls on a non-trading day, the closing price on the previous trading day has been considered.

B. Motilal Oswal Investment Advisors Limited*

1. Price information of past issues handled by Motilal Oswal Investment Advisors Limited* (during the current Financial Year and two Financial Years preceding the current Financial Year):

S. No.	Issue Name	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening Price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Tamilnad Mercantile Bank Limited^	8,078.40	510.00	September 15, 2022	510.00	-8.43%, [-3.36%]	+2.14% [+4.34%]	-11.07% [-1.33%]
2.	Dreamfolks Services Limited^	5,621.01	326.00	September 6, 2022	505.00	+12.07%, [-1.91%]	+14.80% [+6.20%]	+12.94% [+1.24%]
3.	Metro Brands Limited^	13,675.05	500	December 22, 2021	436.00	+21.77%, [+4.45%]	+14.57%, [+0.64%]	+7.93% [-9.78%]
4.	Aditya Birla Sun Life AMC Limited#	27,682.56	712	October, 11, 2021	715.00	-11.36%, [+0.55%]	-23.85%, [-0.74%]	-25.65%, [-0.90%]
5.	Devyani International Limited#	18,380.00	90	August 16, 2021	140.90	+32.83%, [+4.93%]	+78.39%, [+9.30%]	+97.17%, [+4.90%]
6.	GR Infraprojects Limited^@	9,623.34	837	July 19, 2021	1,700.00	+90.61%, [+6.16%]	+138.67%, [+16.65%]	+132.16%, [+16.50%]

Source: Information has been taken from (nseindia.com, bseindia.com) as per respective Designated Stock Exchange of the above Issuer Companies, as applicable

^BSE as Designated Stock Exchange

#NSE as Designated Stock Exchange

@Discount of ₹42.00 per Equity Share was offered to eligible employees bidding in the Employee Reservation Portion

Notes:

1. *The S&P CNX NIFTY or S&P BSE SENSEX is considered as the Benchmark Index, depending upon the Designated Stock Exchange*

2. *Price is taken from NSE or BSE, depending upon Designated Stock Exchange for the above calculations.*
3. *The 30th, 90th and 180th calendar day computation includes the listing day. If either of the 30th, 90th or 180th calendar days is a trading holiday, the previous trading day is considered for the computation. We have taken the issue price to calculate the % change in closing price as on 30th, 90th and 180th day. We have taken the closing price of the applicable benchmark index as on the listing day to calculate the % change in closing price of the benchmark as on 30th, 90th and 180th day.*
4. *N.A. (Not Applicable) – Since 30 calendar days, 90 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.*

2. Summary statement of price information of past issues handled by Motilal Oswal Investment Advisors Limited*:

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ mn.)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2022 – 2023*	2	13,699.41	-	-	1	-	-	1	-	-	-	-	-	-
2021 – 2022	4	69,360.95	-	-	1	1	1	1	-	1	1	2	-	1
2020 – 2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-

* *The information is as on the date of this Draft Red Herring Prospectus.*
The information for each of the Financial Years is based on issues listed during such Financial Year.
***Note:** Since 30 calendar days and 180 calendar days, as applicable, from listing date have not elapsed for few of the above issues, data for same is not available.*

* *In compliance with the proviso to Regulation 21A(1) and explanation (iii) to Regulation 21A(1) of the SEBI (Merchant Bankers) Regulations, 1992, Motilal Oswal Investment Advisors Limited will be involved only in the marketing of the Offer. Motilal Oswal Investment Advisors Limited has signed the due diligence certificate and has been disclosed as a BRLM to the Offer.*

C. SBI Capital Markets Limited

1. Price information of past issues handled by SBI Capital Markets Limited (during the current Financial Year and two Financial Years preceding the current Financial Year):

S. No.	Issue Name	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening Price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Tamilnad Mercantile Bank Limited @	8,078.40	510.00	September 15, 2022	510.00	-8.43% [-3.36%]	2.14% [4.34%]	-15.82% [-2.83%]
2.	Paradeep Phosphates Limited @	15,017.31	42.00	May 27, 2022	43.55	-10.24% [-3.93%]	27.50% [7.65%]	31.19% [11.91%]
3.	Life Insurance Corporation of India (1)@	205,572.31	949.00	May 17, 2022	867.20	-27.24% [-3.27%]	-28.12% [9.47%]	- 33.82% [13.76%]
4.	Star Health and Allied Insurance Company Ltd (2)#	64,004.39	900.00	December 10,2021	845.00	-14.78% [+1.72%]	-29.79% [-6.66%]	-22.21% [-6.25%]
5.	Tarsons Products Limited (3)@	8,738.40	662.00	November 26, 2021	700.00	-4.16% [+0.03%]	-4.46% [+0.22%]	0.20% [-5.35%]

S. No.	Issue Name	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening Price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
6.	Aditya Birla Sun Life AMC Limited#	27,682.56	712.00	October 11, 2021	715.00	-11.36% [+0.55%]	-23.85% [-0.74%]	-25.65% [-0.90%]
7.	Nuvoco Vistas Corporation Limited@	50,000.00	570.00	August 23, 2021	471.00	-5.83% [+6.21%]	-9.74% [+7.34%]	-32.76% [4.10%]
8.	Windlas Biotech Limited@	4,015.35	460.00	August 16, 2021	439.00	-18.02% [+4.79%]	-34.42% [+9.18%]	-37.01% [+4.62%]
9.	Glenmark Life Sciences Limited@	15,136.00	720.00	August 06, 2021	751.10	-6.38% [+7.10%]	-12.94% [+10.12%]	-20.67% [+8.45%]
10.	G R Infraprojects Limited (4)@	9,623.34	837.00	July 19, 2021	1,700.00	90.61% [+6.16%]	138.67% [+16.65%]	132.16% [+16.50%]

***Source**: and www.bseindia.com*

Notes:

** The 30th, 90th and 180th calendar day computation includes the listing day. If either of the 30th, 90th or 180th calendar days isa trading holiday, the previous trading day is considered for the computation. We have taken the issue price to calculate the % change in closing price as on 30th, 90th and 180th day. We have taken the closing price of the applicable benchmark index as on the listing day to calculate the % change in closing price of the benchmark as on 30th, 90th and 180th day.*

** *The information is as on the date of this document.*

**The information for each of the financial years is based on issues listed during such financial year.*

@ The S&P BSE SENSEX index is considered as the Benchmark Index, BSE being the designated stock exchange

 # The Nifty 50 index is considered as the Benchmark Index, NSE being the designated stock exchange

1. *Price for retail individual bidders and eligible employee was Rs 904.00 per equity share and for Eligible Policy Holders and was Rs 889.00 per equity share*
2. *Price for eligible employee was Rs 820.00 per equity share*
3. *Price for eligible employee was Rs 639.00 per equity share*
4. *Price for eligible employee was Rs 795.00 per equity share*

2. Summary statement of price information of past issues handled by SBI Capital Markets Limited:

FInancial Year	Total no. of IPOs	Total amount of funds raised (₹ mn.)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2022 – 2023*	3	2,28,668.02	-	1	2	-	-	-	-	1	1	-	1	-
2021 – 2022	10	2,17,814.28	-	-	6	1	2	1	-	3	1	3	-	3
2020 – 2021	7	1,05,087.00	-	-	5	-	2	-	-	1	3	-	2	1

** The information is as on the date of this Draft Red Herring Prospectus.*

 # Date of Listing for the issue is used to determine which financial year that particular issue falls into

Track record of past issues handled by the Book Running Lead Managers

For details regarding the track record of the Book Running Lead Managers, as specified in circular (reference CIR/MIRSD/1/2012) dated January 10, 2012 issued by SEBI, please see the websites of the Book Running Lead Managers, as set forth in the table below:

#	Name of the Book Running Lead Manager	Website
1.	IIFL Securities Limited	www.iiflcap.com
2.	Motilal Oswal Investment Advisors Limited*	www.motilaloswalgroup.com
3.	SBI Capital Markets Limited	www.sbicaps.com

* *In compliance with the proviso to Regulation 21A(1) and explanation (iii) to Regulation 21A(1) of the SEBI (Merchant Bankers) Regulations, 1992, Motilal Oswal Investment Advisors Limited will be involved only in the marketing of the Offer. Motilal Oswal Investment Advisors Limited has signed the due diligence certificate and has been disclosed as a BRLM to the Offer.*

Stock Market Data of Equity Shares

This being an initial public issue of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange and accordingly, no stock market data is available for the Equity Shares.

Mechanism for Redressal of Investor Grievances in the Offer

The agreement between the Registrar to the Offer, our Company and the Selling Shareholders provides for retention of records with the Registrar to the Offer for a period of at least eight years from the last date of dispatch of the letters of allotment and demat credit to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

Bidders can contact the Company Secretary and Compliance Officer and/or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Offer related queries and for redressal of complaints, Bidders may also write to the Book Running Lead Managers or the Registrar to the Offer, in the manner provided below.

All Offer related grievances, other than by Anchor Investors, may be addressed to the Registrar to the Offer, with a copy to the relevant Designated Intermediary, with whom the ASBA Form was submitted, quoting the full name of the sole or first Bidder, ASBA Form number, Bidders' DP ID, Client ID, UPI ID, PAN, address of the Bidder, number of Equity Shares applied for, date of ASBA Form, name and address of the relevant Designated Intermediary, where the Bid was submitted and ASBA Account number (for Bidders other than UPI Bidders using the UPI Mechanism) in which the amount equivalent to the Bid Amount was blocked or the UPI ID in case of UPI Bidders using the UPI Mechanism. Further, the Bidder shall enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders. For offer related grievances, investors may contact Book Running Lead Managers, details of which are given in "*General Information*" on page 85.

In case of any delay in unblocking of amounts in the ASBA Accounts exceeding four Working Days from the Bid / Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding four Working Days from the Bid / Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

In terms of SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. The following compensation mechanism shall be applicable for investor grievances in relation to Bids made through the UPI Mechanism for public issues opening on or after May 1, 2021, for which the relevant SCSBs shall be liable to compensate the investor:

Scenario	Compensation amount	Compensation period
Delayed unblock for cancelled / withdrawn / deleted applications	₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher	From the date on which the request for cancellation / withdrawal / deletion is placed on the bidding platform of the Stock Exchanges till the date of actual unblock
Blocking of multiple amounts for the same Bid made through the UPI Mechanism	1. Instantly revoke the blocked funds other than the original application amount and 2. ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original Bid Amount, whichever is higher	From the date on which multiple amounts were blocked till the date of actual unblock
Blocking more amount than the Bid Amount	1. Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount and 2. ₹ 100 per day or 15% per annum of the difference amount, whichever is higher	From the date on which the funds to the excess of the Bid Amount were blocked till the date of actual unblock
Delayed unblock for non – Allotted / partially Allotted applications	₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher	From the Working Day subsequent to the finalisation of the Basis of Allotment till the date of actual unblock

For helpline details of the BRLMs pursuant to the SEBI/HO/CFD/DIL-2/OW/P/2021/2481/1/M dated March 16, 2021, see "*General Information – Book Running Lead Managers*" on page 86.

Further, in the event there are any delays in resolving the investor grievance beyond the date of receipt of the complaint from the investor, for each day delayed, the Book Running Lead Managers shall be liable to compensate the investor ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

Our Company, the BRLMs and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations. In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days.

All grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or First Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, name and address of the Book Running Lead Managers, unique transaction reference number, the name of the relevant bank, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the BRLM where the Bid cum Application Form was submitted by the Anchor Investor. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

All grievances relating to Bids submitted with Registered Brokers, may be addressed to the Stock Exchanges, with a copy to the Registrar to the Offer. Further, Bidders shall also enclose a copy of the Acknowledgment Slip received from the Designated Intermediaries in addition to the information mentioned hereinabove.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

Disposal of Investor Grievances by our Company

Our Company shall obtain authentication on the SCORES in compliance with the SEBI circular (CIR/OIAE/1/2013) dated April 17, 2013 and the SEBI circular (CIR/OIAE/1/ 2014) dated December 18, 2014 read with the SEBI circular SEBI/HO/OIAE/IGRD/CIR/P/2021/642 date October 14, 2021 and SEBI Circular SEBI/HO/OIAE/IGRD/P/CIR/2022/0150 dated November 7, 2022, in relation to redressal of investor grievances through SCORES.

Our Company has also constituted a Stakeholders' Relationship Committee, comprising Sangeeta Sumesh, Raghunandana Tangirala and Pondicherry Chidambaram Balasubramanian, to review and redress the shareholders and investor grievances such as transfer of Equity Shares, non-recovery of balance payments, declared dividends, approve subdivision, consolidation, transfer and issue of duplicate shares. For details of our Stakeholders' Relationship Committee, please see "*Our Management*" beginning on 254.

Our Company has also appointed Ravishankar B, Company Secretary of our Company, as the Compliance Officer for the Offer and he may be contacted in case of any pre-Offer or post-Offer related problems. For details, "*General Information – Company Secretary and Compliance Officer*" beginning on page 85.

Our Company has not received any investor complaint during the three years preceding the date of this Draft Red Herring Prospectus.

Further, no investor complaint in relation to our Company is pending as on the date of filing of this Draft Red Herring Prospectus.

Our Company estimates that the average time required by our Company or the Registrar to the Offer or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Each of the Selling Shareholders, severally and not jointly, has authorised the Company Secretary and Compliance Officer of the Company, and the Registrar to the Offer to deal with, on its behalf any investor grievances received in the Offer in relation to its respective portion of the Offered Shares.

Other confirmations

Any person connected with the Offer shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise, to any person for making a Bid in the Offer, except for fees or commission for services rendered in relation to the Offer.

Exemption from complying with any provisions of securities laws, if any, granted by SEBI

Our Company has not applied to SEBI for any exemption from complying with any provisions of the securities law.

SECTION IX - OFFER INFORMATION

TERMS OF THE OFFER

The Equity Shares being offered and Allotted pursuant to this Offer are subject to the provisions of the Companies Act, the SCRA, SCRR, SEBI ICDR Regulations, the SEBI Listing Regulations, our Memorandum of Association and Articles of Association, the terms of this Draft Red Herring Prospectus, the Red Herring Prospectus, the Prospectus, the Abridged Prospectus, the Bid cum Application Form, the Revision Form, CAN, the Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents or certificates that may be executed in respect of this Offer. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the offer of capital and listing and trading of securities offered from time to time by SEBI, the GoI, the Stock Exchanges, the RoC, the RBI, and/or other authorities, as in force on the date of this Offer and to the extent applicable or such other conditions as may be prescribed by such governmental, regulatory or statutory authority while granting its approval for the Offer.

The Offer

The Offer comprises a Fresh Issue by our Company and an Offer for Sale by the Selling Shareholders. Expenses for the Offer shall be shared amongst our Company and the Selling Shareholders in the manner specified in "*Objects of the Offer*", beginning on page 113.

Ranking of the Equity Shares

The Equity Shares being Allotted in the Offer shall be subject to the provisions of the Companies Act, our Memorandum of Association and Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares including rights in respect of dividend and voting. The Allottees upon Allotment of Equity Shares under the Offer, will be entitled to dividend and other corporate benefits if any, declared by our Company after the date of Allotment. For further details, see "*Main Provisions of the Articles of Association*" beginning on page 611.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to shareholders of our Company as per the provisions of the Companies Act, 2013, our Memorandum of Association and Articles of Association, the SEBI Listing Regulations and other applicable law. All dividends, if any, declared by our Company after the date of Allotment, will be payable to the Bidders who have been Allotted Equity Shares in the Offer, in accordance with applicable law. For further details in relation to dividends, see *"Dividend Policy"* and *"Main Provisions of the Articles of Association"* beginning on pages 276 and 611, respectively.

Face Value and Offer Price

The face value of the Equity Shares is ₹ 10. The Floor Price of Equity Shares is ₹ [●] per Equity Share and the Cap Price is ₹ [●] per Equity Share. The Anchor Investor Offer Price is ₹ [●] per Equity Share. The Offer Price, Price Band and minimum Bid Lot for the Offer will be decided by our Company and the Selling Shareholders, in consultation with the BRLMs. The Offer Price, Price Band and minimum Bid Lot will be advertised in [●] editions of the English national daily newspaper [●], [●] editions of the Hindi national daily newspaper [●] and [●] editions of the Tamil daily newspaper [●] (Tamil being the regional language of Tamil Nadu, where our Registered Office is located), each with wide circulation, respectively, at least two Working Days prior to the Bid/ Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available at the websites of the Stock Exchanges. The Offer Price shall be determined by our Company and the Selling Shareholders, in consultation with the BRLMs, after the Bid/Offer Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

At any given point of time there shall be only one denomination for the Equity Shares.

Compliance with disclosure and accounting norms

Our Company shall comply with all applicable disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the provisions of our Articles, our Shareholders shall have the following rights:

- The right to receive dividend, if declared;
- The right to attend general meetings and exercise voting powers, unless prohibited by law;
- The right to vote on a poll either in person or by proxy or 'e-voting' in accordance with the provisions of the Companies Act;
- The right to receive offers for rights shares and be allotted bonus shares, if announced;
- The right to receive any surplus on liquidation subject to any statutory and other preferential claims being satisfied;
- The right to freely transfer their Equity Shares, subject to foreign exchange regulations and other applicable laws; and
- Such other rights, as may be available to a shareholder of a listed public company under applicable law, including the Companies Act, 2013, the terms of the SEBI Listing Regulations, and our MOA and AoA.

For a detailed description of the main provisions of our Articles relating to voting rights, dividend, forfeiture and lien, transfer and transmission, and/ or consolidation/ splitting, see "*Main Provisions of the Articles of Association*" beginning on page 611.

Allotment of Equity Shares in dematerialised form

Pursuant to Section 29 of the Companies Act, 2013 and the SEBI ICDR regulations, the Equity Shares shall be Allotted only in dematerialised form and trading of the Equity Shares shall only be in dematerialised form. Hence, the Equity Shares offered through the Red Herring Prospectus can be applied for in the dematerialised form only. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Offer:

- Agreement dated August 5, 2022 amongst our Company, NSDL and the Registrar to the Offer.
- Agreement dated August 5, 2022 amongst our Company, CDSL and the Registrar to the Offer.

Market Lot and Trading Lot

Further, the trading of our Equity Shares on the Stock Exchanges shall only be in dematerialised form, consequent to which, the tradable lot is one Equity Share. Allotment of Equity Shares will be only in electronic form in multiples of [●] Equity Shares, subject to a minimum Allotment of [●] Equity Shares. For the method of Basis of Allotment, see "*Offer Procedure*" on page 587.

Joint Holders

Subject to provisions contained in our Articles, where two or more persons are registered as the holders of any Equity Share, they shall be deemed to hold such Equity Shares as joint holders with benefits of survivorship.

Jurisdiction

The courts of Chennai, India will have exclusive jurisdiction in relation to this Offer.

Period of operation of subscription list

See "*Offer Structure – Bid/Offer Programme*" beginning on page 580.

Nomination facility to investors

In accordance with Section 72 of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole or First Bidder, along with other joint Bidders, may nominate any one person in whom, in the event of the death of the sole Bidder or in case of joint Bidders, the death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner. A person, being a nominee, entitled to the Equity Shares by reason of death of the original holder(s), shall be entitled to the same advantages to which such person would be entitled if such person were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to the Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale, transfer of Equity Share(s) by the person nominating. A nomination may be cancelled or varied by nominating any other person in place of the present nominee by the holder of the Equity Shares who has made the nomination by giving a notice of such cancellation. A buyer will be entitled to make a fresh nomination in the manner prescribed. A fresh nomination can be made only on the prescribed form, which is available on request at our Registered and Corporate Office or with the registrar and share transfer agents of our Company.

Any person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 as mentioned above, shall, upon the production of such evidence as may be required by our Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, our Board may thereafter withhold payment of all dividend, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment will be made only in dematerialised form, there shall be no requirement for a separate nomination with our Company. Nominations registered with the respective Depository Participant of the applicant will prevail. If Bidders wish to change their nomination, they are requested to inform their respective Depository Participant.

Bid/Offer Programme

BID/ OFFER OPENS ON*	**[●]**
BID/ OFFER CLOSES ON**	**[●]**^

**Our Company and the Selling Shareholders, may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations. Anchor Investors shall Bid on the Anchor Investor Bidding Date.*

***Our Company and the Selling Shareholders, may, in consultation with the BRLMs, consider closing the Bid/Offer Period for QIBs one day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.*

^UPI mandate end time and date shall be at 5.00 PM on Bid/Offer Closing Date.

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Finalisation of Basis of Allotment with the Designated Stock Exchange	[●]
Initiation of refunds (if any, for Anchor Investors) / unblocking of funds from ASBA Account**	[●]
Credit of the Equity Shares to depository accounts of Allottees	[●]
Commencement of trading of the Equity Shares on the Stock Exchanges	[●]

*** In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled / withdrawn / deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked; (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Bids, exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding four Working Days from the Bid/Offer Closing Date by the SCSB responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The post Offer BRLMs shall be liable for compensating the Bidder at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date of receipt of the investor grievance until the date on which the blocked* *amounts are unblocked. The Bidder shall be compensated in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs, to the extent applicable.*

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

The above timetable is indicative and does not constitute any obligation on our Company, the Selling Shareholders or the BRLMs. While our Company and the Selling Shareholders shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within six Working Days of the Bid/Offer Closing Date or such period as may be prescribed, the timetable may change due to various factors, such as extension of the Bid/Offer Period by our Company and the Selling Shareholders, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. The Selling Shareholders confirm that they shall extend complete co-operation required by our Company and the BRLMs for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within six Working Days from the Bid/Offer Closing Date, or within such other period as may be prescribed.

In terms of the UPI Circulars, in relation to the Offer, the Book Running Lead Managers will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within six Working Days from the Bid/Offer Closing Date, identifying nonadherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

Except in relation to the Bids received from the Anchor Investors, Bids and any revision in Bids shall be accepted **only between 10.00 a.m. and 5.00 p.m.** (Indian Standard Time ("**IST**")) during the Bid/Offer Period (except on the Bid/Offer Closing Date) at the Bidding Centres as mentioned on the Bid cum Application Form **except that:**

(i) on the QIB Bid/Offer Closing Date, in case of Bids by QIBs under the QIB Portion, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until 4.00 p.m. (IST).

(ii) on the Bid/Offer Closing Date:

   (a) in case of Bids by Non-Institutional Bidders, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (IST) and uploaded until 4.00 p.m. (IST); and

   (b) in case of Bids by Retail Individual Bidders, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (IST) and uploaded until 5.00 p.m. (IST), which may be extended up to such time as deemed fit by the Stock Exchanges after taking into account the total number of applications received up to the closure of timings and reported by the BRLMs to the Stock Exchanges.

The Registrar to the Offer shall submit the details of cancelled/withdrawn/deleted applications to the SCSBs on daily basis within 60 minutes of the Bid closure time from the Bid/ Offer Opening Date till the Bid/Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLMs and the RTA on a daily basis, as per the format prescribed in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

For the avoidance of doubt, it is clarified that Bids not uploaded on the electronic bidding system or in respect of which full Bid Amount is not blocked by SCSBs will be rejected.

Due to limitation of the time available for uploading the Bids on the Bid/Offer Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date and, in any case, no later than 1.00 p.m. (Indian Standard Time) on the Bid/ Offer Closing Date. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/ Offer Closing Date, as is typically experienced in public offerings in India, it may lead to some Bids not being uploaded due to lack of sufficient time to upload. Such Bids that cannot be uploaded on the electronic bidding system will not be considered for allocation under this Offer. Bids and any revision in

Bids will only be accepted on Working Days. Investors may please note that as per letter no. List/SMD/SM/2006 dated July 3, 2006 and letter no. NSE/IPO/25101- 6 dated July 6, 2006 issued by BSE and NSE respectively, Bids and any revision in Bids shall not be accepted on Saturdays and public holidays as declared by the Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges.

Our Company and the Selling Shareholders, in consultation with the BRLMs, reserve the right to revise the Price Band during the Bid/ Offer Period in accordance with the SEBI ICDR Regulations. In such an event, the Cap Price shall not be more than 120% of the Floor Price, provided that the Cap Price shall be at least 105% of the Floor Price. Subject to compliance with the immediately preceding sentence, the Floor Price can move up or down to the extent of 20% of the Floor Price, as advertised at least five Working Days before the Bid/ Offer Opening Date.

In case of any revision in the Price Band, the Bid/ Offer Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/ Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a press release and also by indicating the change on the websites of the BRLMs and at the terminals of the members of the Syndicate.

In case of discrepancy in the data entered in the electronic book *vis-à-vis* the data contained in the physical Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment.

Minimum Subscription

In the event our Company does not receive (i) a minimum subscription of 90% of the Fresh Issue, and (ii) a subscription in the Offer as specified under Rule 19(2)(b) of the SCRR, including through devolvement of Underwriters, as applicable, within sixty days from the date of Bid Closing Date, or if the subscription level falls below the thresholds mentioned above after the Bid Closing Date, on account of withdrawal of applications or after technical rejections or any other reason, or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares being offered under the Red Herring Prospectus, our Company shall forthwith refund the entire subscription amount received in accordance with applicable law including the SEBI circular bearing no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021. If there is a delay beyond four days after our Company becomes liable to pay the amount, our Company and the Selling Shareholders, to the extent applicable, shall pay interest prescribed under the applicable law. No liability to make any payment of interest shall accrue to any Selling Shareholder unless any delay in making any of the payments hereunder or any delay in obtaining listing and/or trading approvals or any other approvals in relation to the Offer is caused solely by, and is directly attributable to, an act or omission of such Selling Shareholder and to the extent of its portion of the Offered Shares.

In the event of under-subscription in the Offer, subject to receiving minimum subscription for 90% of the Fresh Issue and compliance with Rule 19(2)(b) of the SCRR, the Allotment for valid Bids will be made in the following order:

(i) In the first instance towards subscription for 90% of the Fresh Issue; and

(ii) If there remain any balance valid Bids in the Offer, the Allotment for the balance valid Bids will be made:

   a. first towards the sale of the Offered Shares being offered by the Selling Shareholders in the Offer for Sale; and

   b. thereafter, towards the balance of the Fresh Issue.

It is clarified that, subject to applicable laws, none of the Selling Shareholders shall be liable to pay any amounts as interest for any delay, unless such default or delay is solely and directly attributable to an act or omission of such Selling Shareholders and to the extent of its portion of the Offered Shares.

In the event of achieving aforesaid minimum subscription, however, in case of under-subscription, if any, in any category except the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories, as applicable, at the discretion of our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers and the Designated Stock Exchange, subject to applicable law. Under-subscription, if any, in the QIB Portion would not be allowed to be met with spill-over from other categories or a combination of categories.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted will be not less than 1,000 failing which the entire application money shall be unblocked in the respective ASBA Accounts of the Bidders. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, our Company shall be liable to pay interest on the application money in accordance with applicable laws.

Arrangements for disposal of odd lots

Since our Equity Shares will be traded in dematerialised form only and the market lot for our Equity Shares will be one Equity Share, no arrangements for disposal of odd lots are required.

New Financial Instruments

Our Company is not issuing any new financial instruments through this Offer.

Restriction on transfer and transmission of shares

Except for the lock-in of the pre-Offer Equity Shares, the Promoter's Contribution and Equity Shares allotted to Anchor Investors pursuant to the Offer, as detailed in "*Capital Structure*" beginning on page 94 and except as provided in our Articles, there are no restrictions on transfers and transmission of Equity Shares or on their consolidation or splitting. See, "*Main Provisions of the Articles of Association*" at page 611.

Allotment of Equity Shares in Dematerialized Form

Allotment of Equity Shares to successful Bidders will only be in the dematerialized form. Bidders will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only in the dematerialized segment of the Stock Exchanges.

Withdrawal of the Offer

Our Company and the Selling Shareholders in consultation with the BRLMs, reserves the right not to proceed with the entire or portion of the Offer for any reason at any time after the Bid/Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the same newspapers, in which the pre-Offer advertisements were published, within two days of the Bid/Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. Further, the Stock Exchanges shall be informed promptly in this regard by our Company and the BRLMs, through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Banks to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification and inform the Bankers to the Offer to process refunds to the Anchor Investors, as the case may be. The notice of withdrawal will be issued in the same newspapers where the pre-Offer advertisements have appeared and the Stock Exchanges will also be informed promptly. In the event of withdrawal of the Offer and subsequently, plans of a fresh offer by our Company, a fresh draft red herring prospectus will be submitted again to SEBI.

Notwithstanding the foregoing, this Offer is also subject to obtaining the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment and within six Working Days or such other period as may be prescribed, and the final RoC approval of the Prospectus after it is filed with the RoC. If Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law.

OFFER STRUCTURE

The Offer is being made through the Book Building Process. The Offer is of up to [●] Equity Shares for cash at a price of ₹ [●] per Equity Share (including a share premium of ₹ [●] per Equity Share) aggregating up to ₹ [●] million comprising of a Fresh Issue of up to [●] Equity Shares aggregating up to ₹ 4,000.00 million by our Company and an Offer of Sale of up to 13,300,000 Equity Shares aggregating up to ₹ [●] million by the Selling Shareholders.

Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement aggregating up to ₹ 800.00 million, at its discretion, prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is completed, it will be at a price to be decided by our Company, in consultation with the BRLMs, and the Fresh Issue size will be reduced to the extent of such Pre-IPO Placement, subject to the Offer complying with Rule 19(2)(b) of the SCRR.

Particulars	QIBs [(1)]	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for Allotment/ allocation* [(2)]	Not more than [●] Equity Shares	Not less than [●] Equity Shares available for allocation or Offer less allocation to QIB Bidders and Retail Individual Bidders	Not less than [●] Equity Shares available for allocation or Offer less allocation to QIB Bidders and Non-Institutional Bidders
Percentage of Offer Size available for Allotment/ allocation	Not more than 50% of the Offer size shall be allocated to QIB Bidders. However, up to 5% of the QIB Portion (excluding the Anchor Investor Portion) will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining balance QIB Portion. The unsubscribed portion in the Mutual Fund portion will be available for allocation to other QIBs.	Not less than 15% of the Offer, or the Offer less allocation to QIB Bidders and Retail Individual Bidders, subject to the following: (i) one-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹ 0.2 million and up to ₹ 1.0 million; and (ii) two-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with application size of more than ₹ 1.0 million. provided that the unsubscribed portion in either of the sub-categories specified above may be allocated to applicants in the other sub-category of Non-Institutional Bidders.	Not less than 35% of the Offer, or the Offer less allocation to QIB Bidders and Non-Institutional Bidders
Basis of Allotment/ allocation if respective category is oversubscribed*	Proportionate as follows (excluding the Anchor Investor Portion): (a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) Up to [●] Equity Shares shall be Allotted on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above Up to [●] Equity Shares may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to	The Allotment to each Non - Institutional Bidder shall not be less than the minimum NIB application size, subject to availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis. For details, see "*Offer Procedure*" beginning on page 587.	The allotment to each Retail Individual Bidders shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis. For details, see "*Offer Procedure*" beginning on page 587.

Particulars	QIBs [1]	Non-Institutional Bidders	Retail Individual Bidders
	Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price		
Minimum Bid	Such number of Equity Shares in multiples of [●] Equity Shares, that the Bid Amount exceeds ₹200,000 and in multiples of [●] Equity Shares thereafter	Such number of Equity Shares that the Bid Amount exceeds ₹200,000 and in multiples of [●] Equity Shares thereafter	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Offer (excluding the Anchor Investor Portion), subject to applicable limits under applicable law	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Offer (excluding the QIB Portion), subject to limits prescribed under applicable law	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹200,000
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.		
Mode of allotment	Compulsorily in dematerialised form		
Allotment Lot	[●] Equity Shares and in multiples of one Equity Share thereafter. For Non-Institutional Bidder allotment shall not be less than the Minimum NIB Application Size		
Trading Lot	One Equity Share		
Who can apply[3]	Public financial institutions (as specified in Section 2(72) of the Companies Act), scheduled commercial banks, Mutual Funds, Eligible FPIs, VCFs, AIFs, FVCIs registered with SEBI, multilateral and bilateral development financial institutions, state industrial development corporation, insurance companies registered with IRDAI, provident funds (subject to applicable law) with minimum corpus of ₹250 million, pension funds with minimum corpus of ₹250 million, National Investment Fund set up by the Government of India, the insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important Non-Banking Financial Companies.	Resident Indian individuals, Eligible NRIs, HUFs (in the name of the karta), companies, corporate bodies, scientific institutions societies and trusts and any individuals, corporate bodies and family offices which are re-categorised as category II FPIs and registered with SEBI	Resident Indian individuals, Eligible NRIs and HUFs (in the name of the karta)
Terms of Payment	**In case of Anchor Investors**: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids[4] **In case of all other Bidders**: Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Banks through the UPI Mechanism (for UPI Bidders using the UPI Mechanism), that is specified in the ASBA Form at the time of submission of the ASBA Form.		
Mode of Bidding^	Only through the ASBA process (except for Anchor Investors).	Only through the ASBA process (including the UPI Mechanism for a Bid size of up to ₹ 500,000)	Only through the ASBA process (including the UPI Mechanism for a Bid size of up to ₹ 500,000)

* *Assuming full subscription in the Offer*

^ *SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, has mandated that ASBA applications in Public Issues shall be processed only after the application monies are blocked in the bank accounts of the investors. Accordingly, Stock Exchanges shall, for all categories of investors viz. QIBs, Non-Institutional Bidder and RIBs and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked.*

(1) Our Company and the Selling Shareholders may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the Net QIB Portion. For further details, see "Offer Procedure" beginning on page 587.

(2) Subject to valid Bids being received at or above the Offer Price. The Offer is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 45 of the SEBI ICDR Regulations. The Offer is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers. Such number of Equity Shares representing 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs, including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to all QIBs. Further, not less than 15% of the Offer shall be available for allocation to Non-Institutional Bidders and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. The Equity Shares available for allocation to Non-Institutional Bidders under the Non-Institutional Portion, shall be subject to the following, and in accordance with the SEBI ICDR Regulations: (i) one-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million, and (ii) two-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with application size of more than ₹ 1.00 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company and the Selling Shareholders, in consultation with the BRLMs and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. For further details, please see "Terms of the Offer" beginning on page 578.

(3) In the event that a Bid is submitted in joint names, the relevant Bidders should ensure that the depository account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application Form. The Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Bidder would be required in the Bid cum Application Form and such First Bidder would be deemed to have signed on behalf of the joint holders. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories.

(4) Anchor Investors shall pay the entire Bid Amount at the time of submission of the Anchor Investor Bid, provided that any positive difference between the Anchor Investor Allocation Price and the Offer Price, shall be payable by the Anchor Investor Pay-in Date as mentioned in the CAN. For details of terms of payment of applicable to Anchor Investors, see General Information Document available on the website of the Stock Exchanges and the BRLMs. Further, Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

Bids by FPIs with certain structures as described under "Offer Procedure – Bids by FPIs" on page 593 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

OFFER PROCEDURE

*All Bidders should read the General Information Document for Investing in Public Offers prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars (the "**General Information Document**") which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations, which is part of the abridged prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer, especially in relation to the process for Bids by UPI Bidders through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.*

*Additionally, Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of Confirmation of Allocation Note ("**CAN**") and Allotment in the Offer; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) designated date; (viii) disposal of applications and electronic registration of bids; (ix) submission of Bid cum Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.*

*SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, as amended from time to time, including pursuant to circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019 has introduced an alternate payment mechanism using Unified Payments Interface ("**UPI**") and consequent reduction in timelines for listing in a phased manner. UPI has been introduced in a phased manner as a payment mechanism in addition to ASBA for applications by Retail Individual Bidders through intermediaries from January 1, 2019. The UPI Mechanism for Retail Individual Bidders applying through Designated Intermediaries, in phase I, was effective along with the prior process and existing timeline of T+6 days ("**UPI Phase I**"), until June 30, 2019. Subsequently, for applications by Retail Individual Bidders through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds has been discontinued and RIBs submitting their ASBA Forms through Designated Intermediaries (other than SCSBs) can only use UPI Mechanism with existing timeline of T+6 days until further notice pursuant to SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020 ("**UPI Phase II**"). The final reduced timeline of T+3 days will be made effective using the UPI Mechanism for applications by UPI Bidders ("**UPI Phase III**"), as may be prescribed by SEBI. Accordingly, the Offer will be made under UPI Phase II of the UPI Circular, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular shall come into force for initial public offers opening on or after May 1, 2021 except as amended pursuant to SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and the provisions of this circular, as amended, are deemed to form part of this Draft Red Herring Prospectus. SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. Further, the processing fees for applications made by Retail Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021. Further, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹ 500,000 shall use the UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents.*

In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI Circular. No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and book running lead managers shall continue to coordinate with intermediaries involved in the said process.

Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using *the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories).*

Further, our Company, the Selling Shareholders and the BRLMs are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and the Prospectus.

Our Company, the Selling Shareholders and the Syndicate do not accept any responsibility for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Offer.

Book Building Procedure

The Offer is being made in terms of Rule 19(2)(b) of the SCRR, through the Book Building Process, in accordance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Net Offer shall be Allotted to QIBs on a proportionate basis, provided that our Company and the Selling Shareholders, in consultation with the BRLMs, may allocate up to 60% of the QIB Category to Anchor Investors, on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from them at or above the Anchor Investor Allocation Price. In case of under-subscription or non-allocation in the Anchor Investor Portion, the remaining Equity Shares will be added back to the QIB Category. 5% of the QIB Category shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Category shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. The Equity Shares available for allocation to Non-Institutional Bidders under the Non-Institutional Portion, shall be subject to the following and in accordance with the SEBI ICDR Regulations: (i) one-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million, and (ii) two-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with application size of more than ₹ 1.00 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders.

Under-subscription, if any, in any category except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories, at the discretion of our Company and the Selling Shareholders, in consultation with the BRLMs and the Designated Stock Exchange subject to applicable laws.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

Investors must ensure that their PAN is linked with Aadhaar and are in compliance with Central Board of Direct Taxes notification dated February 13, 2020 and press releases dated June 25, 2021 and September 17, 2021.

Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID and PAN and UPI ID (for UPI Bidders using the UPI Mechanism), shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.

Phased implementation of Unified Payments Interface

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of *inter alia*, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism for applications by UPI Bidders through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RIB had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

Phase II: This phase has become applicable from July 1, 2019. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 had extended the timeline for implementation of UPI Phase II till March 31, 2020. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020 decided to continue Phase II of UPI with ASBA until further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI Mechanism. Further, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹ 500,000 shall use the UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents. However, the time duration from public issue closure to listing would continue to be six Working Days during this phase. Further, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹ 500,000 shall use the UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents.

Phase III: The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing is proposed to be reduced to three Working Days. Accordingly, upon commencement of Phase III, the reduced time duration shall be applicable for the Offer.

Pursuant to the UPI Circulars, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circulars include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, a requirement that SCSBs must send SMS alerts for the blocking and unblocking of UPI mandates, the requirement that the Registrar must submit details of cancelled, withdrawn or deleted applications, and the requirement that the bank accounts of unsuccessful Bidders be unblocked no later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within such timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the BRLMs will be required to compensate the concerned investor.

All SCSBs offering the facility of making applications in public issues shall also provide the facility to make application using UPI. The Company will be required to appoint one of the SCSBs as a Sponsor Bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and/ or payment instructions of the UPI Bidders using the UPI.

The Offer will be made under UPI Phase II of the UPI Circular, unless UPI Phase III of the UPI Circular becomes effective and applicable on or prior to the Bid/Offer Opening Date. If the Offer is made under UPI Phase III of the UPI Circular, the same will be advertised in [●] editions of the English national daily newspaper, [●] editions of the Hindi national daily newspaper, [●] and [●] editions of the Tamil daily newspaper, [●] (Tamil being the regional language of Tamil Nadu, where our Registered Office is located) on or prior to the Bid/ Offer Opening Date, and such advertisement shall also be made available to the Stock Exchanges for the purpose of uploading on their websites.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLMs.

Bid cum Application Form

Bidders (other than Anchor Investors) must compulsorily use the ASBA process to participate in the Offer. Anchor Investors are not permitted to participate in this Offer through the ASBA process.

Copies of the ASBA Forms and the abridged prospectus will be available with the Designated Intermediaries at relevant Bidding Centres and at our Registered and Corporate Office. The ASBA Forms will also be available for download on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com) at least one day prior to the Bid / Offer Opening Date. Anchor Investor Application Forms shall be available at the office of the BRLMs at the Anchor Investor Bidding Date.

Bidders (other than UPI Bidders using the UPI Mechanism and Anchor Investors) must provide bank account details and authorisation by the ASBA bank account holder to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form. ASBA Forms that do not contain such details are liable to be rejected. The Sponsor Bank shall provide details of the UPI linked bank account of the Bidders to the Registrar to the Offer for purpose of reconciliation.

UPI Bidders using the UPI Mechanism must provide the UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain the UPI ID are liable to be rejected.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. UPI Bidders using UPI Mechanism, may submit their ASBA Forms with the Syndicate Members, Registered Brokers, RTAs or CDPs. RIBs authorising an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB or by Sponsor Bank under the UPI Mechanism, as applicable at the time of submitting the Bid. In order to ensure timely information to investors SCSBs are required to send SMS alerts to investors intimating them about the Bid Amounts blocked/unblocked.

Anchor Investors are not permitted to participate in the Offer through the ASBA process. For Anchor Investors, the Anchor Investor Application Form will be available with the Book Running Lead Managers.

The prescribed colour of the Bid cum Application Forms for various categories is as follows:

Category	**Colour of Bid cum Application Form***
Resident Indians including resident QIBs, Non-Institutional Bidders, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis[(1)]	[●]
Non-Residents including FPIs and Eligible NRIs, FVCIs and registered bilateral and multilateral development financial institutions applying on a repatriation basis[(1)]	[●]
Anchor Investors[(2)]	[●]

** Excluding electronic Bid cum Application Forms*

[(1)] *Electronic Bid cum Application forms will also be available for download on the website of NSE (www.nseindia.com) and the BSE (www.bseindia.com).*

[(2)] *Bid cum Application Forms for Anchor Investors will be made available at the office of the Book Running Lead Managers.*

In case of ASBA Forms, Designated Intermediaries shall upload the relevant bid details in the electronic bidding system of the Stock Exchanges.

Designated Intermediaries (other than SCSBs) shall submit / deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank. Stock Exchanges shall validate the electronic bids with the records of the CDP for DP ID / Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. Stock Exchanges shall allow modification of either DP ID / Client ID or PAN ID, bank code and location code in the Bid details already uploaded.

For all IPOs opening on or after September 1, 2022, as specified in SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, all the ASBA applications in public issues shall be processed only after the application monies are blocked in the investor's bank accounts. Stock Exchanges shall accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked. The circular shall be applicable for all categories of investors viz. Retail Individual Investors, QIBs, Non-Institutional Bidders, and for all modes through which the applications are processed.

For UPI Bidders using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to UPI

Bidders for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to UPI Bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI Bidders in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the bankers to an issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the bankers to an issue. The BRLMs shall also be required to obtain the audit trail from the Sponsor Banks and the Bankers to the Offer for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts as specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated April 20, 2022. In accordance with BSE Circular No: 20220803-40 and NSE Circular No: 25/2022, each dated August 3, 2022, for all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on the Bid/ Offer Closing Date ("**Cut-Off Time**"). Accordingly, UPI Bidders should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse.

The Sponsor Bank will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank will undertake reconciliation of all Bid requests and responses throughout their lifecycle on a daily basis and share reports with the BRLMs in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Banks on a continuous basis.

Electronic Registration of Bids

a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the issue.

b) On the Bid/Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in this Draft Red Herring Prospectus.

c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 5:00 pm on the Bid/Offer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. The Equity Shares are being offered and sold only outside the United States in reliance on Regulation S and the applicable laws of the jurisdictions where such offers and sales occurs.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Participation by associates and affiliates of the BRLMs and the Syndicate Members, Promoters, Promoter Group and persons related to Promoters / Promoter Group.

The BRLMs and the Syndicate Members shall not be allowed to purchase the Equity Shares in any manner, except towards fulfilling their underwriting obligations. However, the respective associates and affiliates of the BRLMs and the Syndicate Members may purchase Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders, and such Bid subscription may be on their own account or on behalf of their clients. All categories of investors, including respective associates or affiliates of the BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Except as stated below, neither the Book Running Lead Managers nor any persons related to the Book Running Lead Managers can apply in the Offer under the Anchor Investor Portion:

(i) mutual funds sponsored by entities which are associates of the Book Running Lead Managers

(ii) insurance companies promoted by entities which are associates of the Book Running Lead Managers

(iii) AIFs sponsored by the entities which are associates of the Book Running Lead Managers; or

(iv) FPIs (other than individuals, corporate bodies and family offices) sponsored by the entities which are associates of the Book Running Lead Managers.

Further, persons related to our Promoters and Promoter Group shall not apply in the Offer under the Anchor Investor Portion.

For the purposes of this section, a QIB who has any of the following rights shall be deemed to be a "*person related to the Promoters or Promoter Group*": (a) rights under a shareholders' agreement or voting agreement entered into with the Promoters or members of the Promoter Group; (b) veto rights; or (c) right to appoint any nominee director on our Board.

Further, an Anchor Investor shall be deemed to be an associate of a BRLM, if: (a) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (b) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (c) there is a common director, excluding a nominee director, amongst the Anchor Investor and the BRLM.

The Selling Shareholders, Promoters and the members of the Promoter Group will not participate in the Offer except to the extent of the Offered Shares.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company and the Selling Shareholders, in consultation with the BRLMs, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made. In case of a Mutual Fund, a separate Bid may be made in respect of each scheme of a Mutual Fund registered with the SEBI and such Bids in respect of more than one scheme of a Mutual Fund will not be treated as multiple Bids, provided that such Bids clearly indicate the scheme for which the Bid is submitted.

No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights. No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific scheme.

Bids by HUFs

Bids by HUFs shall be in the individual name of the *karta*. The Bidder / Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form as follows: "Name of sole or First Bidder / Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *karta*". Bids / Applications by HUFs may be considered at par with Bids / Applications from individuals.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the BRLMs, Syndicate Member and sub-syndicate members at select locations as specified in the Bid cum Application Form. Eligible NRI Bidders Bidding on a repatriation basis by using the Non-Resident Forms should authorise their SCSB or should confirm / accept the UPI Mandate Request (in case of UPI Bidders using the UPI Mechanism) to block their Non-Resident External ("**NRE**") accounts or Foreign Currency Non-Resident ("**FCNR**") Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorise their SCSBs or should confirm / accept the UPI Mandate Request (in case of UPI Bidders Bidding using the UPI Mechanism) to block their Non- Resident Ordinary ("**NRO**") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. However, NRIs applying in the Offer through the UPI Mechanism, are advised to enquire with the relevant bank where their account is UPI linked prior to submitting their Bid cum Application.

In accordance with the FEMA Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company. Pursuant to the special resolution dated March 21, 2023, by the Shareholders, the aggregate ceiling of 10% was raised to 24%.

Eligible NRIs will be permitted to apply in the Offer through Channel I or Channel II (as specified in the UPI Circular). Further, subject to applicable law, Eligible NRIs may use Channel IV (as specified in the UPI Circular) to apply in the Offer, provided the UPI facility is enabled for their NRE / NRO accounts.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents. Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents.

For details of investment by NRIs, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 609. Participation of Eligible NRIs shall be subject to the FEMA NDI Rules.

Bids by FPIs

In terms of the SEBI FPI Regulations, the issue of equity shares to a single FPI or an investor group (which means multiple entities having common ownership, directly or indirectly, of more than 50% or common control) must be below 10% of the post-Offer equity share capital of a company. The FEMA NDI Rules were enacted on October 17, 2019 in supersession of the FEMA Regulations, except as respects things done or omitted to be done before such supersession. FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together, with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%). In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

Additionally, the aggregate foreign portfolio investment up to 49% of the paid-up capital on a fully diluted basis or the sectoral / statutory cap, whichever is lower, does not require Government approval or compliance of sectoral conditions as the case may be, if such investment does not result in transfer of ownership and control of the resident Indian company from resident Indian citizens or transfer of ownership or control to persons resident outside India. Other investments by a person resident outside India will be subject to conditions of Government approval and compliance with sectoral conditions as laid down in these regulations.

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Offer to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI is required to ensure that the transfer of an offshore derivative instruments issued by or on behalf of it, is subject to (a) the transfer being made to persons which fulfil the criteria provided under the SEBI FPI Regulations (as mentioned above from points (a) to (d)); and (b) prior consent of the FPI is obtained for such transfer, except in cases, where the persons to whom the offshore derivative instruments are to be transferred, are pre-approved by the FPI.

Bids by following FPIs, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids:

- FPIs which utilise the multi investment manager ("**MIM**") structure
- Offshore derivative instruments which have obtained separate FPI registration for ODI and proprietary derivative investments
- Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration
- FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager
- Multiple branches in different jurisdictions of foreign bank registered as FPIs
- Government and Government related investors registered as Category 1 FPIs; and
- Entities registered as collective investment scheme having multiple share classes.

The Bids belonging to any of the above mentioned seven structures and having the same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares allotted in the Bid may be proportionately distributed to the applicant FPIs (with the same PAN). In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize any of the above-mentioned structures and indicate the name of their respective investment managers in such confirmation. In the absence of such confirmation from the relevant FPIs, such multiple Bids shall be rejected.

The FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for non-residents.

Bids by SEBI registered VCFs, AIFs and FVCIs

The SEBI FVCI Regulations and the SEBI AIF Regulations, *inter-alia*, prescribe the respective investment restrictions on the FVCIs, VCFs and AIFs registered with SEBI. Accordingly, the holding by any individual VCF or FVCI registered with SEBI, in any company should not exceed 25% of the corpus of the VCF. Further, VCFs can invest only up to 33.33% of the investible funds in various prescribed instruments, including in public offerings.

Category I and II AIFs cannot invest more than 25% of the corpus in one investee company. A Category III AIF cannot invest more than 10% of the corpus in one investee company. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up, and such funds shall not launch any new scheme after notification of the SEBI AIF Regulations.

There is no reservation for Eligible NRI Bidders, AIFs, FPIs and FVCIs. All Bidders will be treated on the same basis with other categories for the purpose of allocation.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Neither our Company, nor the Selling Shareholders nor the BRLMs will be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders, in consultation with the BRLMs, reserve the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company and the Selling Shareholders, in consultation with the BRLMs, reserve the right to reject any Bid without assigning any reason thereof.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949 ("**Banking Regulation Act**"). and the Reserve Bank of India Master Direction (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10% of the banks' own paid-up share capital and reserves, whichever is less. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves.

However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company, subject to prior approval of the RBI, if (i) the investee company is engaged in non-financial activities permitted for banking companies in terms of Section 6(1) of the Banking Regulation Act; (ii) the additional acquisition is through restructuring of debt, or to protect the banking company's interest on loans/investments made to a company; (iii) hold along with its subsidiaries, associates or joint ventures or entities directly or indirectly controlled by the bank; and mutual funds managed by asset management companies controlled by the bank, more than 20% of the investee company's paid up share capital engaged in non-financial services. However, this cap doesn't apply to the cases mentioned in (i) and (ii) above.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars nos. CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013 respectively. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

Bids by systemically important non-banking financial companies

In case of Bids made by NBFC-SI, (i) a certified copy of the certificate of registration issued by the RBI, (ii) a certified copy of its last audited financial statements on a standalone basis, and (iii) a net worth certificate from its statutory auditor(s), must be attached to the Bid cum Application Form, along with other approval as may be required by the Systemically Important NBFCs. Failing this, our Company reserves the right to reject any Bid, without assigning any reason thereof. The investment limit for NBFC-SIs shall be as prescribed by RBI from time to time. NBFC-SIs participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers are prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2016, as amended ("**IRDAI Investment Regulations**"), based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Bidders are advised to refer to the IRDA Investment Regulations for specific investment limits applicable to them.

Bids under power of attorney

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with minimum corpus of ₹ 250 million and pension funds with a minimum corpus of ₹ 250 million, in each case, subject to applicable law and in accordance with their respective constitutional documents a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws as applicable must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company and Selling Shareholders, in consultation with the BRLMs, in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company and Selling Shareholders, in consultation with the BRLMs, may deem fit, without assigning any reasons thereof.

Bids by Anchor Investors

In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section the key terms for participation by Anchor Investors are provided below.

(i) Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the BRLMs.

(ii) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹ 100 million. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹ 100 million.

(iii) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.

(iv) Bidding for Anchor Investors will open one Working Day before the Bid / Offer Opening Date, i.e., the Anchor Investor Bidding Date, and will be completed on the same day.

(v) Our Company and Selling Shareholders, in consultation with the BRLMs, may finalise allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than:

    (a) maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹ 100 million;

    (b) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100 million but up to ₹ 2,500 million, subject to a minimum Allotment of ₹ 50 million per Anchor Investor; and

    (c) in case of allocation above ₹ 2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500 million, and an additional 10 Anchor Investors for every additional ₹2,500 million, subject to minimum Allotment of ₹ 50 million per Anchor Investor.

(vi) Allocation to Anchor Investors will be completed on the Anchor Investor Bidding Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLMs before the Bid / Offer Opening Date, through intimation to the Stock Exchange.

(vii) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.

(viii) If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors on the Anchor Investor Pay-in Date specified in the CAN. If the Offer Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Allocation Price shall still be the Anchor Investor Office Price.

(ix) 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 90 days from the date of Allotment, while the remaining 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment

(x) Neither the BRLMs or any associate of the BRLMs (except Mutual Funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associate of BRLMs or AIFs sponsored by the entities which are associate of the BRLMs or FPIs, other than individuals, corporate bodies or family offices sponsored by the entities which are associates of the BRLMs) nor any "person related to the Promoters or Promoter Group" shall apply in the Offer under the Anchor Investor Portion. For further details, see "*– Participation by associates and affiliates of the BRLMs and the Syndicate Members, Promoters, Promoter Group and persons related to Promoters / Promoter Group*" beginning on page 591.

(xi) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

(xii) For more information, see the General Information Document.

Bids by provident funds / pension funds

In case of Bids made by provident funds / pension funds, subject to applicable laws, with minimum corpus of ₹ 250 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund / pension fund must be attached to the Bid cum Application Form. Failing this, our Company and Selling Shareholders, in consultation with the BRLMs, reserve the right to reject any Bid, without assigning any reason thereof.

The Equity Shares offered in the Offer have not been and will not be registered, listed or otherwise qualified in any jurisdiction except India and may not be offered or sold to persons outside of India except in compliance with the applicable laws of each such jurisdiction. In particular, the Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or the laws of any state of the United States and may not be offered or sold in the United States (as defined in Regulation S under the U.S. Securities Act ("Regulation S")) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. The Equity Shares are being offered and sold only outside the United States pursuant to Regulation S.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the members of Syndicate are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that Bid from them does not exceed the applicable

investment limits or maximum number of the Equity Shares that can be held by them under applicable laws or regulation or as specified in this Draft Red Herring Prospectus, the Red Herring Prospectus and Prospectus.

In accordance with existing regulations issued by the RBI, OCBs cannot participate in the Offer**.**

Information for Bidders

The relevant Designated Intermediary will enter each Bid option into the electronic Bidding system as a separate Bid and generate an acknowledgement slip ("**Acknowledgement Slip**"), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three Acknowledgement Slips for each Bid cum Application Form. It is the Bidder's responsibility to obtain the Acknowledgment Slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he/she shall surrender the earlier Acknowledgement Slip and may request for a revised Acknowledgment Slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the BRLMs are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Red Herring Prospectus or the Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

In the event of an upward revision in the Price Band, RIBs who had Bid at Cut-off Price could either (i) revise their Bid or (ii) shall make additional payment based on the cap of the revised Price Band (such that the total amount i.e. original Bid Amount plus additional payment does not exceed ₹ 200,000 with respect to RIBs if the Bidder wants to continue to Bid at Cut-off Price). The revised Bids must be submitted to the same Designated Intermediary to whom the original Bid was submitted. If the total amount (i.e. the original Bid Amount plus additional payment) exceeds ₹ 200,000 with respect to RIBs, the Bid will be considered for allocation under the Non-Institutional Portion. If, however, the Retail Individual Bidder does not either revise the Bid or make additional payment and the Offer Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the Retail Individual Bidder and the Retail Individual Bidder is deemed to have approved such revised Bid at Cut-off Price.

In the event of a downward revision in the Price Band, Retail Individual Bidders who have bid at Cut-off Price may revise their Bid; otherwise, the excess amount paid at the time of Bidding would be unblocked after Allotment is finalised.

Any revision of the Bid shall be accompanied by instructions to block the incremental amount, if any, to be paid on account of the upward revision of the Bid.

Pre-Offer Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company will, after filing the Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Tamil newspaper, Tamil being the regional language of Tamil Nadu where our Registered Office is located). Our Company shall, in the pre-Offer advertisement state the Bid / Offer Opening Date, the Bid / Offer Closing Date and the Bid / Offer Closing Date for QIBs. This advertisement, subject to the provisions of Section 30 of the Companies Act, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

Allotment Advertisement

Our Company, the Book Running Lead Managers and the Registrar shall publish an advertisement in relation to Allotment before commencement of trading, disclosing the date of commencement of trading of the Equity Shares, in [●] editions of [●], an English national daily newspaper, [●] editions of [●], a Hindi national daily newspaper and [●] editions of [●], a Tamil newspaper, Tamil being the regional language of Tamil Nadu, where our Registered Office is located, each with wide circulation.

Signing of Underwriting Agreement and filing of Prospectus with the RoC

Our Company and the Selling Shareholders will enter into an Underwriting Agreement with the Underwriters on or immediately after the finalisation of the Offer Price. After signing the Underwriting Agreement, our Company will file the Prospectus with the RoC, in accordance with applicable law. The Prospectus will contain details of the Offer Price, Anchor Investor Offer Price, Offer size and underwriting arrangements and will be complete in all material respects.

GENERAL INSTRUCTIONS

Please note that QIBs and Non-Institutional Bidders are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bid(s) during the Bid / Offer Period and withdraw their Bid(s) until Bid / Offer Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bidding Date.

***Do's*:**

1. Check if you are eligible to apply as per the terms of this Draft Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;

2. Ensure that you have Bid within the Price Band;

3. Read all the instructions carefully and complete the Bid cum Application Form;

4. Ensure that the details about the PAN, DP ID and Client ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;

5. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;

6. Ensure that your Bid cum Application Form bearing the stamp of the relevant Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time;

7. In case of joint Bids, ensure that First Bidder is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the First Bidder is included in the Bid cum Application Form;

8. Bidders (other than RIIs bidding through the non-UPI Mechanism) should submit the Bid cum Application Form only at the Bidding Centers, i.e. to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centres, the CRTA at the Designated RTA Locations or CDP at the Designated CDP Locations. RIIs bidding through the non-UPI Mechanism should either submit the physical Bid cum Application Form with the SCSBs or Designated Branches of SCSBs under Channel I (described in the UPI Circulars) or submit the Bid cum Application Form online using the facility of 3-in 1 type accounts under Channel II (described in the UPI Circulars);

9. Ensure that you have mentioned the correct ASBA Account number (for all Bidders other than UPI Bidders using the UPI Mechanism) in the Bid cum Application Form;

10. UPI Bidders using the UPI Mechanism should ensure that the correct UPI ID (with maximum length of 45 characters including the handle) is mentioned in the Bid cum Application Form;

11. UPI Bidders using UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. UPI Bidders shall ensure that the name of the app and the UPI handle which is used for making the

application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019;

12. UPI Bidders bidding using the UPI Mechanism should ensure that they use only their own bank account linked UPI ID to make an application in the issue;

13. UPI Bidders submitting a Bid cum Application Form using the UPI Mechanism, should ensure that: (a) the bank where the bank account linked to their UPI ID is maintained; and (b) the Mobile App and UPI handle being used for making the Bid is listed on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40;

14. UPI Bidders submitting a Bid-cum Application Form to any Designated Intermediary (other than SCSBs) should ensure that only UPI ID is included in the Field Number 7: Payment Details in the Bid cum Application Form;

15. UPI Bidders using the UPI Mechanism shall ensure that the bank, with which it has its bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI;

16. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;

17. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;

18. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;

19. Bidders, other than UPI Bidders using the UPI Mechanism, shall ensure that they have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to the relevant Designated Intermediaries;

20. Ensure that you submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

21. With respect to Bids by SCSBs, ensure that you have a separate account in your own name with any other SCSB having clear demarcated funds for applying under the ASBA process and that such separate account (with any other SCSB) is used as the ASBA Account with respect to your Bid;

22. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

23. Ensure that Anchor Investors submit their Anchor Investor Application Form only to the BRLMs;

24. Ensure that the Demographic Details are updated, true and correct in all respects;

25. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;

26. Ensure that the correct investor category and the investor status is indicated in the Bid cum Application Form;

27. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents, including a copy of the power of attorney, are submitted;

28. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;

29. Ensure that the depository account is active, the correct DP ID, Client ID and the PAN are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID and the PAN entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID and PAN available in the Depository database;

30. Ensure that where the Bid cum Application Form is submitted in joint names, the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;

31. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors) is submitted to a Designated Intermediary in a Bidding Centre and in case of Bidding through a Designated Intermediary (other than for Anchor Investors and UPI Bidders) the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at www.sebi.gov.in) or such other websites as updated from time to time;

32. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form or have otherwise provided an authorisation to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;

33. For UPI Bidders using the UPI Mechanism, ensure that you approve the Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;

34. UPI Bidders shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, a UPI Bidder may be deemed to have verified the attachment containing the application details of the UPI Bidder in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Bid Cum Application Form;

35. UPI Bidders shall ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 5:00 p.m. on the Bid / Offer Closing Date;

36. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;

37. UPI Bidders using the UPI Mechanism should mention valid UPI ID of only the Applicant (in case of single account) and of the first Applicant (in case of joint account) in the Bid cum Application Form;

38. UPI Bidders who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which UPI Bidders should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount in the UPI Bidders' ASBA Account;

39. UPI Bidders using the UPI Mechanism, who have revised their Bids subsequent to making the initial Bid, should also approve the revised Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount and subsequent debit of funds in case of Allotment in a timely manner; and

40. Bids by Eligible NRIs and HUFs for a Bid Amount of less than ₹ 200,000 would be considered under the Retail Portion, and Bids for a Bid Amount exceeding ₹ 200,000 would be considered under the Non-Institutional Portion, for the purposes of allocation in the Offer.

41. Ensure that Anchor Investors submit their Bid cum Application Forms only to the BRLMs.

42. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Banks prior to 5:00 p.m. on the Bid/ Offer Closing Date.

43. Investors must ensure that their PAN is linked with Aadhaar and are in compliance with C.

44. The ASBA bidders shall ensure that bids above ₹ 500,000, are uploaded only by the SCSBs.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

***Don'ts*:**

1. Do not Bid for lower than the minimum Bid size;

2. Do not Bid / revise Bid Amount to less than the Floor Price or higher than the Cap Price;

3. Do not Bid on another Bid cum Application Form or the Anchor Investor Application Form, as the case maybe, after you have submitted a Bid to a Designated Intermediary;

4. UPI Bidders should not submit a Bid using the UPI Mechanism, unless the name of the bank where the bank account linked to your UPI ID is maintained, is listed on the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40;

5. UPI Bidders should not submit a Bid using the UPI Mechanism, using a Mobile App or UPI handle, not listed on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40;

6. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;

7. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;

8. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;

9. Anchor Investors should not Bid through the ASBA process;

10. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company or at a location other than the Bidding Centres. Provided that UPI Bidders not using the UPI Mechanism should not submit Bid cum Application Forms with Designated Intermediaries (other than SCSBs);

11. Do not Bid on a physical ASBA Form that does not have the stamp of the relevant Designated Intermediary;

12. Do not Bid at Cut-off Price in case of Bids by QIBs and Non-Institutional Bidders;

13. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of this Draft Red Herring Prospectus;

14. If you are a Non-Institutional Bidder or a Retail Individual Bidder, do not submit your Bid after 3.00 pm on the Bid / Offer Closing Date;

15. If you are a QIB, do not submit your Bid after 3.00 p.m. on the QIB Bid / Offer Closing Date;

16. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

17. Do not submit the General Index Register (GIR) number instead of the PAN;

18. Do not submit incorrect UPI ID details if you are a UPI Bidder Bidding through the UPI Mechanism. RIBs Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB or a bank which is not mentioned in the list provided in the SEBI website is liable to be rejected;

19. Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;

20. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA Account;

21. Do not submit more than one Bid cum Application Form for each UPI ID in case of UPI Bidders using the UPI Mechanism;

22. In case of ASBA Bidders, do not submit more than one ASBA Forms per ASBA Account;

23. Do not submit Bids to a Designated Intermediary at a location other than Specified Locations;

24. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;

25. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. Retail Individual Bidders can revise or withdraw their Bids on or before the Bid / Offer Closing Date;

26. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;

27. Do not Bid for Equity Shares in excess of what is specified for each category;

28. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;

29. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by UPI Bidders using the UPI Mechanism;

30. Do not Bid on another Bid cum Application Form after you have submitted a Bid to any of the Designated Intermediaries;

31. In case of ASBA Bidders (other than 3 in 1 Bids) Syndicate Members shall ensure that they do not upload any bids above ₹ 500,000;

32. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);

33. Do not submit a Bid cum Application Form using a third party bank account or using third party linked bank account UPI ID (in case of in case of Bids submitted by UPI Bidders using the UPI Mechanism); and

34. Do not Bid if you are an OCB.

The Bid cum Application Form is liable to be rejected if any of the above instructions or any other condition mentioned in this Draft Red Herring Prospectus, as applicable, is not complied with.

For helpline details of the Book Running Lead Managers pursuant to the SEBI/HO/CFD/DIL2/CIR/P/2021/248 0/1/M dated March 16, 2021, see "*General Information – Book Running Lead Managers*" on page 86.

Grounds for Technical Rejection

In addition to the grounds for rejection of Bids on technical grounds as provided in the GID, Bidders are requested to note that Bids could be rejected on the following additional technical grounds:

1. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;

2. Bids which do not contain details of the Bid Amount and the bank account or UPI ID (for UPI Bidders using the UPI Mechanism) details in the ASBA Form;

3. Bids submitted on a plain paper;

4. Bids submitted by UPI Bidders using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;

5. Bids under the UPI Mechanism submitted by UPI Bidders using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Banks);

6. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;

7. Bids submitted without the signature of the First Bidder or sole Bidder;

8. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;

9. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are "suspended for credit" in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;

10. Bids by OCBs GIR number furnished instead of PAN;

11. Bids by RIBs with Bid Amount of a value of more than ₹200,000 (net of retail discount);

12. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;

13. Bids accompanied by stock invest, cheque(s), demand draft(s), money order, postal order or cash; and

14. Bids uploaded by QIBs after 4.00 pm on the QIB Bid/ Offer Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Offer Closing Date, and Bids by RIBs uploaded after 5.00 p.m. on the Bid/ Offer Closing Date, unless extended by the Stock Exchanges.

In case of any pre-Offer or post Offer related issues regarding demat credit/refund orders/unblocking etc., investors shall reach out to the Company Secretary and Compliance Officer, and the Registrar. For details of the Company Secretary and Compliance Officer and the Registrar, see "*General Information*" on page 85.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/ Offer Closing Date, the Bidder shall be compensated in accordance with applicable law. Further, Investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

Names of entities responsible for finalising the Basis of Allotment in a fair and proper manner

The authorised employees of the Designated Stock Exchange, along with the Book Running Lead Manager and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any Allotment in excess of the Equity Shares through the Offer Document except in case of oversubscription for the purpose of rounding off to make Allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an allotment of not more than 1% of the Offer may be made for the purpose of making Allotment in minimum lots.

The Allotment of Equity Shares to applicants other than to the Retail Individual Bidders and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The Allotment of Equity Shares to each Retail Individual Bidders shall not be less than the minimum Bid Lot, subject to the availability of shares in Retail Individual Bidders Portion, and the remaining available Equity Shares, if any, shall be Allotted on a proportionate basis. The Allotment of Equity Shares to Anchor Investors shall be on a discretionary basis.

The Equity Shares available for allocation to Non-Institutional Bidders under the Non-Institutional Portion, shall be subject to the following: (i) one-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million, and (ii) two-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹ 1.00 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders. The allotment to each Non-Institutional Bidder shall not be less than the Minimum NIB Application Size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares.

Payment into Escrow Account

Our Company and the Selling Shareholders, in consultation with the BRLMs, in their absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. Anchor Investors are not permitted to Bid in the Offer through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS or NEFT) to the Escrow Accounts. The payment instruments for payment into the Escrow Accounts should be drawn in favour of:

(i) In case of resident Anchor Investors: “[●]”
(ii) In case of non-resident Anchor Investors: “[●]”

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Selling Shareholders and the Syndicate, the Bankers to the Offer and the Registrar to the Offer to facilitate collections of Bid amounts from Anchor Investors.

Depository Arrangements

The Allotment of the Equity Shares in the Offer shall be only in a dematerialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). In this context, tripartite agreements had been signed among our Company, the respective Depositories and the Registrar to the Offer:

- Tripartite Agreement dated August 5, 2022 among NSDL, our Company and the Registrar to the Offer.
- Tripartite Agreement dated August 5, 2022 among CDSL, our Company and Registrar to the Offer.

Signing of the Underwriting Agreement and the RoC Filing

(a) Our Company, the Selling Shareholders and the Underwriters intend to enter into an Underwriting Agreement on or immediately after the finalisation of the Offer Price but prior to the filing of Prospectus.

(b) After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which then would be termed as the 'Prospectus'. The Prospectus will contain details of the Offer Price, the Anchor Investor Offer Price, Offer size, and underwriting arrangements and will be complete in all material respects.

Undertakings by our Company

Our Company undertakes the following:

(i) adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders and to consider them similar to Anchor Investors while finalising the Basis of Allotment

(ii) the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily

(iii) that if the Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law, failing which interest will be due to be paid to the Bidders at the rate prescribed under applicable law for the delayed period

(iv) that all steps will be taken for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within six Working Days of the Bid / Offer Closing Date or such other time as may be prescribed

(v) that funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company

(vi) where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund

(vii) that if our Company does not proceed with the Offer after the Bid / Offer Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid / Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The Stock Exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly

(viii) that if our Company and the Selling Shareholders, in consultation with the BRLMs, withdraws the Offer after the Bid / Offer Closing Date, our Company shall be required to file a fresh draft offer document with the SEBI, in the event our Company and the Selling Shareholders subsequently decide to proceed with the Offer thereafter

(ix) Promoter's contribution, if any, shall be brought in advance before the Bid / Offer Opening Date

(x) that our Company shall not have recourse to the Net Proceeds until the final approval for listing and trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received

(xi) that adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders and Anchor Investor Application Form from Anchor Investors

(xii) that, except for any allotment of Equity Shares to employees of our Company pursuant to exercise of stock options granted under the ESOS Schemes and the Equity Shares allotted pursuant to the Pre-IPO Placement, no further issue of Equity Shares shall be made until the Equity Shares issued or offered through the Red Herring Prospectus are listed or until the Bid monies are refunded/unblocked in the ASBA Accounts on account of non-listing, under-subscription etc; and

(xiii) Compliance with all disclosure and accounting norms as may be specified by SEBI from time to time.

Undertakings by each Selling Shareholder

Each Selling Shareholder, severally and not jointly, undertakes the following in respect of themselves as a Selling Shareholder and its respective portion of the Offered Shares:

(i) that the Offered Shares are free and clear of any pre-emptive rights, liens, charges, pledges or encumbrances and are eligible to be a part of the Offer for Sale, in accordance with Regulation 8 of the SEBI ICDR Regulations and, are fully paid-up and are in dematerialised form;

(ii) that they are the legal and beneficial owner, and have clear and marketable title, of its respective portion of the Offered Shares;

(iii) that they shall provide all support and cooperation as may be reasonably requested by our Company and the BRLMs to the extent such support and cooperation is in relation to its Offered Shares and in relation to necessary formalities for listing and commencement of trading at the Stock Exchanges, the completion of the Allotment and dispatch of the Allotment Advice and CAN, if required, and refund orders (as applicable) to the requisite extent of its respective portion of the Offered Shares;

(iv) that each Selling Shareholder specifically confirms that they shall not have any recourse to the proceeds of the Offer, until final listing and trading approvals have been received from the Stock Exchanges;

(v) that they shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid in the Offer, and shall not make any payment, direct or indirect, in the nature of discounts, commission, allowance or otherwise to any person who makes a Bid in the Offer, except as permitted under applicable law; and

(vi) that they shall transfer their respective portion of the Offered Shares to an escrow demat account in accordance with the share escrow agreement to be executed between the parties to such share escrow agreement.

Utilisation of Offer Proceeds

Our Company, severally and not jointly, specifically confirm and declare that all monies received from the Offer shall be credited / transferred to separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013.

Details of all monies utilised out of the Offer shall be disclosed and continue to be disclosed till the time any part of the Fresh Issue proceeds remains unutilized, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised.

Details of all unutilized monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilized monies have been invested.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

"*Any person who—*

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(b) *makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*

(c) *otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name*

shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹ 1 million or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹ 1 million or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹ 5 million or with both.

Investors must ensure that their PAN is linked with Aadhaar and are in compliance with the notification issued by Central Board of Direct Taxes (CBDT) on February 13, 2020, and press release dated June 25, 2021.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment. The Government has from time to time made policy pronouncements on foreign direct investment ("**FDI**") through press notes and press releases. The DPIIT, issued the Consolidated FDI Policy Circular of 2020 ("**FDI Policy**"), which, with effect from October 15, 2020, subsumes and supersedes all press notes, press releases, clarifications, circulars issued by the DPIIT, which were in force as on October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that: (i) the activities of the investee company are under the automatic route under the foreign direct investment policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

On October 17, 2019, Ministry of Finance, Department of Economic Affairs, had notified the FEMA Rules, which had replaced the Foreign Exchange Management (Transfer and Issue of Security by a Person Resident Outside India) Regulations 2017. Foreign investment in this Offer shall be on the basis of the FEMA Rules. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government, as prescribed in the FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Offer in writing about such approval along with a copy thereof within the Bid/Offer Period. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020 issued on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank of fund in India.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer. For further details, see "*Offer Procedure*" on page 587.

The Equity Shares offered in the Offer have not been and will not be registered, listed or otherwise qualified in any jurisdiction except India and may not be offered or sold to persons outside of India except in compliance with the applicable laws of each such jurisdiction. In particular, the Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or the laws of any state of the United States and may not be offered or sold in the United States (as defined in Regulation S under the U.S. Securities Act ("Regulation S")) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. The Equity Shares are being offered and sold only outside the United States pursuant to Regulation S.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the members of Syndicate are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that Bid from them does not exceed the applicable

investment limits or maximum number of the Equity Shares that can be held by them under applicable laws or regulation or as specified in this Draft Red Herring Prospectus, the Red Herring Prospectus and Prospectus.

SECTION X – MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

UPDATER SERVICES LIMITED

The Articles of the Company comprises two parts, Part A and Part B, which shall be applicable in the following manner:

(a) Till the time of listing and trading of equity shares of the Company on a recognised stock exchange in India, Part A and Part B shall, unless the context otherwise requires, co-exist with each other. Notwithstanding anything contained herein, in the event of any conflict between the provisions of Part A and Part B of these Articles, the provisions of Parts B of these Articles shall prevail.

(b) Part B shall automatically terminate, be deleted and cease to have any force and effect upon the listing of equity shares of the Company proposed to be transferred/ issued pursuant to an initial public offering of the equity shares of the Company on a recognised stock exchange in India, without any further action by the Company, the Board of Directors or by the Shareholders.

PART A

1. Table F Applicable

No regulation contained in Table “F” in the First Schedule to Companies Act, 2013 shall apply to this Company but the regulations for the Management of the Company and for the observance of the Members thereof and their representatives shall be as set out in the relevant provisions of the Companies Act, 2013 and subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed by the said Companies Act, 2013 be such as are contained in these Articles unless the same are repugnant or contrary to the provisions of the Companies Act, 2013 or any amendment thereto.

INTERPRETATION CLAUSE

2. In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context:

Act

(a) "The Act" means the Companies Act, 2013 and includes any statutory modification or re-enactment thereof for the time being in force.

Articles

(b) “These Articles" means Articles of Association for the time being in force or as may be altered from time to time vide Special Resolution.

Auditors

(c) “Auditors" means and includes those persons appointed as such for the time being of the Company.

Capital

(d) "Capital" means the share capital for the time being raised or authorized to be raised for the purpose of the Company.

(e) “The Company” shall mean UPDATER SERVICES LIMITED

Executor or Administrator

(f) “Executor” or “Administrator” means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession

Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963.

Legal Representative

(g) "Legal Representative" means a person who in law represents the estate of a deceased Member.

Gender

(h) Words importing the masculine gender also include the feminine gender.

In Writing and Written

(i) "In Writing" and "Written" includes printing lithography and other modes of representing or reproducing words in a visible form.

Marginal notes

(j) The marginal notes hereto shall not affect the construction thereof.

Meeting or General Meeting

(k) "Meeting" or "General Meeting" means a meeting of members.

Month

(l) "Month" means a calendar month.

Annual General Meeting

(m) "Annual General Meeting" means a General Meeting of the Members held in accordance with the provision of section 96 of the Act.

Extra-Ordinary General Meeting

(n) "Extra-Ordinary General Meeting" means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof.

Office

(o) "Office" means the registered Office for the time being of the Company.

Ordinary Resolution and Special Resolution

(p) "Ordinary Resolution" and "Special Resolution" shall have the meanings assigned thereto by Section 114 of the Act.

Person

(q) "Person" shall mean any natural person, limited or unlimited liability company, corporation, partnership (whether limited or unlimited), proprietorship, Hindu undivided family, trust, union, association, Government or any agency or political subdivision thereof or any other entity that may be treated as a person under applicable law.

Proxy

(r) "Proxy" means an instrument whereby any person is authorized to vote for a member at General Meeting or Poll and includes attorney duly constituted under the power of attorney.

Register of Members

(s) “The Register of Members” means the Register of Members to be kept pursuant to Section 88(1)(a) of the Act.

Seal

(t) "Seal" means the common seal for the time being of the Company.

Singular number

(u) Words importing the Singular number include where the context admits or requires the plural number and vice versa.

These presents

(v) “These presents” means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.

Variation

(w) “Variation” shall include abrogation; and “vary” shall include abrogate.

Year and Financial Year

(x) “Year” means the calendar year and “Financial Year” shall have the meaning assigned thereto by Section 2(41) of the Act.

Expressions in the Act to bear the same meaning in Articles

Save as aforesaid any words and expressions contained in these Articles shall bear the same meanings as in the Act or any statutory modifications thereof for the time being in force.

CAPITAL

3. Authorized Capital

The Authorized Share Capital of the Company shall be such amount as may be mentioned in Clause V of Memorandum of Association of the Company from time to time.

4. Increase of capital by the Company how carried into effect

The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article, the Directors shall comply with the provisions of Section 61 and Section 64 of the Act.

5. Further Issue of Share Capital

(a) Where, at any time, it is proposed to increase the subscribed capital of the company by allotment of further shares then such further shares shall be offered to the persons who, at the date of the offer, are holders of the equity shares of the company, in proportion, as nearly as circumstances admit, to the capital paid-up on those shares at that date by sending a letter of offer, subject to the following conditions, namely:

(i) The offer shall be made by a notice specifying the number of Shares offered and limiting a time not less than fifteen (15) days and not exceeding thirty (30) days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined.

(ii) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the Shares offered to him or any of them in favour of any other person; and the notice referred to in clause (i) hereof shall contain a statement of this right; provided that the Directors may decline, without assigning any reason to allot any Shares to any person in whose favour any member may, renounce the Shares offered to him.

(iii) After the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the Shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the Shareholders and the Company such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person.

(iv) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in sub-clause (ii) shall contain a statement of this right.

(v) After the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner as they think most beneficial to the company.

(b) Notwithstanding anything contained in subclause (a), the further shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in clause (i) of sub-clause (a) hereof) in any manner whatsoever.

(i) If a special resolution to that effect is passed by the company in general meeting, or

(ii) Where no such resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the resolution moved in that general meeting (including the casting vote, if any, of the Chairman) by members who, being entitled so to do, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by members, so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf, that the proposal is most beneficial to the company.

(c) Nothing in sub-clause (iii) of (a) hereof shall be deemed:

(i) To extend the time within which the offer should be accepted; or

(ii) To authorize any person to exercise the right of renunciation for a second time, on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.

(d) Nothing in this Article shall apply to the increase of the subscribed capital of the company caused by the exercise of an option attached to the debentures issued by the company:

(i) To convert such debentures or loans into shares in the company; or

(ii) To subscribe for shares in the company

PROVIDED THAT the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term:

(a) Either has been approved by the central Government before the issue of debentures or the raising of the loans or is in conformity with Rules, if any, made by that Government in this behalf; and

(b) In the case of debentures or loans or other than debentures issued to, or loans obtained from the Government or any institution specified by the Central Government in this behalf, has also been approved by the special resolution passed by the company in General Meeting before the issue of the loans.

6. New Capital same as existing capital

Except so far as otherwise provided by the conditions of issue or by these Presents, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and instalments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

7. Non-Voting Shares

The Board shall have the power to issue a part of authorized capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.

8. Redeemable Preference Shares

Subject to the provisions of the Act and these Articles, the Board of Directors may issue redeemable preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit.

9. Voting rights of preference shares

The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.

10. Provisions to apply on issue of Redeemable Preference Shares

On the issue of redeemable preference shares under the provisions of Article 8 hereof, the following provisions-shall take effect:

(a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption;

(b) No such Shares shall be redeemed unless they are fully paid;

(c) Subject to section 55(2)(d)(i) the premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed;

(d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company; and

(e) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit. The reduction of Preference Shares under the provisions by the Company shall not be taken as reducing the amount of its Authorized Share Capital.

11. Reduction of capital

The Company may (subject to the provisions of sections 52, 55, 66, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce:

(a) the share capital;
(b) any capital redemption reserve account; or
(c) any security premium account

In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.

12. Debentures

Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.

13. Issue of Sweat Equity Shares

The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act of a class of shares already issued subject to such conditions as may be specified in that sections and rules framed thereunder.

14. ESOP

The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name called.

15. Buy Back of shares

Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

16. Consolidation, Sub-Division and Cancellation

Subject to the provisions of Section 61 of the Act, the Company in general meeting may, from time to time, sub-divide or consolidate all or any of the share capital into shares of larger amount than its existing share or sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum; subject nevertheless, to the provisions of clause (d) of sub-section (1) of Section 61; Subject as aforesaid the Company in general meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled or the Company in general meeting may also convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination.

17. Issue of Depository Receipts

Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue depository receipts in any foreign country.

18. Issue of Securities

Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed thereunder.

19. Register of Members

The Company shall cause to be kept a register and index of members in accordance with all applicable provisions of the Companies Act, 2013 and the Depositories Act, 1996 with details of shares held in physical and dematerialised forms in any medium as may be permitted by law including in any form of electronic medium. The Company shall be entitled to keep in any State or Country outside India a branch Register of Members Resident in that State or Country.

MODIFICATION OF CLASS RIGHTS

20. Modification of rights.

(a) If at any time the share capital, by reason of the issue of Preference Shares or otherwise is divided into different classes of shares, all or any of the rights privileges attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound-up, be varied, modified or dealt, with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. The provisions of these Articles relating to general meetings shall mutatis mutandis apply to every such separate class of meeting.

Provided that if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this section shall apply to such variation.

New Issue of Shares not to affect rights attached to existing shares of that class.

(b) The rights conferred upon the holders of the Shares including Preference Share, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking pari passu therewith.

21. Shares at the disposal of the Directors.

Subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit and with the sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.

PROVIDED THAT option or right to call of shares shall not be given to any person or persons without the sanction of the company in the General Meeting.

22. Power to issue shares on preferential basis.

The Company may issue shares or other securities in any manner whatsoever including by way of a preferential offer, to any persons whether or not those persons include the persons referred to in clause (a) or clause (b) of sub-section (1) of section 62 subject to compliance with section 42 and 62 of the Act and rules framed thereunder.

23. Shares should be Numbered progressively and no share to be subdivided.

The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.

24. Acceptance of Shares.

An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purposes of these Articles, be a Member.

25. Directors may allot shares as full paid-up

Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid.

26. Deposit and call etc.to be a debt payable immediately.

The money (if any) which the Board shall on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them shall become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him, accordingly.

27. Liability of Members.

Every Member, or his heirs, executors, administrators, or legal representatives, shall pay to the Company the portion of the Capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company’s regulations, require on date fixed for the payment thereof.

28. Registration of Shares.

Shares may be registered in the name of any limited company or other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind.

RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT

29. The Board shall observe the restrictions as regards allotment of shares to the public, and as regards return on allotments contained in Section 39 of the Act.

CERTIFICATES

30. Share Certificates.

(a) Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as provided in the relevant laws) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within two months of the receipt of application for registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe and approve.

PROVIDED THAT in respect of a share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one or several joint holders shall be a sufficient delivery to all such holder.

(b) Any two or more joint allottees of shares shall, for the purpose of this Article, be treated as a single member, and the certificate of any shares which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupees Fifty. The Company shall comply with the provisions of Section 46 of the Act.

31. Issue of new certificates in place of those defaced, lost or destroyed.

(a) If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate.

(b) Every certificate under the article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding ₹ 2 for each certificate) as the Directors shall prescribe.

PROVIDED THAT no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer, and that fees will also not be charged for registration of transfer, transmission, succession certificate, certificate of death or marriage.

PROVIDED THAT notwithstanding what is stated above, the Directors shall comply with such rules or regulation or requirements of any Stock Exchange or the rules made under the Companies Act, 2013 or rules made under Securities Contracts (Regulation) Act, 1956 or any other act, or rules applicable thereof in this behalf.

(c) The provision of this Article shall mutatis mutandis apply to debentures of the company.

32. The first named joint holder deemed Sole holder.

(a) If any share stands in the names of two or more persons, the person first named in the Register shall as regard receipts of dividends or bonus or service of notices and all or any other matter connected with the Company except voting at meetings, and the transfer of the shares, be deemed sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all calls and other payments due in respect of such share and for all incidentals thereof according to the Company’s regulations.

Maximum number of joint holders.

(b) The Company shall not be bound to register more than three persons as the joint holders of any share.

33. Company not bound to recognise any interest in share other than that of registered holders.

Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof but the Board shall be at liberty at its sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.

34. Instalment on shares to be duly paid.

If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by instalment, every such instalment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.

UNDERWRITING AND BROKERAGE

35. Commission

Subject to the provisions of Section 40 (6) of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing, to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares or debentures in the Company but so that the commission shall not exceed the maximum rates laid down by the Act and the rules made in that regard. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.

36. Brokerage

The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.

CALLS

37. Directors may make calls

(1) The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board and not by a circular resolution, make such calls as it thinks fit, upon the Members in respect of all the moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the persons and at the time and places appointed by the Board.

(2) A call may be revoked or postponed at the discretion of the Board.

(3) A call may be made payable by instalments.

38. Notice of Calls

Fifteen days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.

39. Calls to date from resolution.

A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as may be fixed by Directors.

40. Calls on uniform basis.

Whenever any calls for further share capital are made on shares, such calls shall be made on uniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class.

41. Directors may extend time.

The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the members who on account of the residence at a distance or other cause, which the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour.

42. Calls to carry interest.

If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board not exceeding 10% per annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.

43. Sums deemed to be calls.

If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by instalments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or instalment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or instalment accordingly.

44. Proof on trial of suit for money due on shares.

On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, if shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequent to the date at which the money is sought to be recovered is alleged to have become due on the share in respect of which such money is sought to be recovered in the Minute Books: and that notice of such call was duly given to the Member or his representatives used in pursuance of these Articles: and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

45. Judgment, decree, partial payment motto proceed for forfeiture.

Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce forfeiture of such shares as hereinafter provided.

46. Payments in Anticipation of calls may carry interest

(a) The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing: provided that moneys paid in advance of calls on shares may carry interest but shall not confer a right to dividend or to participate in profits.

(b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable.

(c) The provisions of this Article shall mutatis mutandis apply to calls on debentures issued by the Company.

LIEN

47. Company to have Lien on shares.

The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.

48. Fully paid shares to be free from all lien

Fully paid shares of the Company shall be free from all lien. In the case of partly paid shares, the Company's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.

49. As to enforcing lien by sale.

For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment, fulfilment of discharge of such debts, liabilities or engagements for seven days after such notice. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof and purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as the Certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new Certificate or Certificates in lieu thereof to the purchaser or purchasers concerned.

50. Application of proceeds of sale.

The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.

FORFEITURE AND SURRENDER OF SHARES

51. If call or instalment not paid, notice may be given.

If any Member fails to pay the whole or any part of any call or instalment or any moneys due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such time as the call or instalment or any part thereof or other moneys as aforesaid remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such Member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or instalment of such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all reasonable expenses (legal or otherwise) that may have been accrued by the Company by reason of such non-payment. Provided that no such shares shall be forfeited if any moneys shall remain unpaid in respect of any call or instalment or any part thereof as aforesaid by reason of the delay occasioned in payment due to the necessity of complying with the provisions contained in the relevant exchange control laws or other applicable laws of India, for the time being in force.

52. Terms of notice.

The notice shall name a day (not being less than fourteen days from the date of notice) and a place or places on and at which such call or instalment and such interest thereon as the Directors shall determine from the day on which such call or instalment ought to have been paid and expenses as aforesaid are to be paid.

The notice shall also state that, in the event of the non-payment at or before the time and at the place or places appointed, the shares in respect of which the call was made or instalment is payable will be liable to be forfeited.

53. On default of payment, shares to be forfeited.

If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter but before payment of all calls or instalments, interest and expenses, due in respect thereof, be forfeited by resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.

54. Notice of forfeiture to a Member

When any shares have been forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register of Members.

55. Forfeited shares to be property of the Company and may be sold etc.

Any shares so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board in their absolute discretion shall think fit.

56. Members still liable to pay money owing at time of forfeiture and interest.

Any Member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, instalments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment, at such rate as the Board may determine and the Board may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture, but shall not be under any obligation to do so.

57. Effect of forfeiture.

The forfeiture shares shall involve extinction at the time of the forfeiture, of all interest in all claims and demand against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.

58. Evidence of Forfeiture.

A declaration in writing that the declarant is a Director or Secretary of the Company and that shares in the Company have been duly forfeited in accordance with these articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares.

59. Title of purchaser and allottee of Forfeited shares.

The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and he shall not be bound to see to the application of the consideration: if any, nor shall his title to the share be affected by any irregularly or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the shares.

60. Cancellation of share certificate in respect of forfeited shares.

Upon any sale, re-allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto.

61. Forfeiture may be remitted.

In the meantime and until any share so forfeited shall be sold, re-allotted, or otherwise dealt with as aforesaid, the forfeiture thereof may, at the discretion and by a resolution of the Directors, be remitted as a matter of grace and favour, and not as was owing thereon to the Company at the time of forfeiture being declared with interest for the same unto the time of the actual payment thereof if the Directors shall think fit to receive the same, or on any other terms which the Director may deem reasonable.

62. Validity of sale

Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

63. Surrender of shares.

The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering on such terms the Directors may think fit.

TRANSFER AND TRANSMISSION OF SHARES

64. Execution of the instrument of shares.

(a) The instrument of transfer of any share in or debenture of the Company shall be executed by or on behalf of both the transferor and transferee.

(b) The transferor shall be deemed to remain a holder of the share or debenture until the name of the transferee is entered in the Register of Members or Register of Debenture holders in respect thereof.

65. Transfer Form.

The instrument of transfer of any share or debenture shall be in writing and all the provisions of Section 56 and statutory modification thereof including other applicable provisions of the Act shall be duly complied with in respect of all transfers of shares or debenture and registration thereof.

The instrument of transfer shall be in a common form approved by the Exchange.

66. Transfer not to be registered except on production of instrument of transfer.

The Company shall not register a transfer in the Company other than the transfer between persons both of whose names are entered as holders of beneficial interest in the records of a depository, unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation if any, of the transferee, has been delivered to the Company along with the certificate relating to the shares or if no such share certificate is in existence along with the letter of allotment of the shares: Provided that where, on an application in writing made to the Company by the transferee and bearing the stamp, required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit, provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.

67. Directors may refuse to register transfer.

Subject to the provisions of Section 58 and 59 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, these Articles and other applicable provisions of the Act, the Directors may, whether in pursuance of any power of the company under these Articles or otherwise, decline to register the transfer of, or the transmission by operation of law of the right to, any shares, or interest of a Member therein, or debentures of the Company. The Company shall, within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal.

PROVIDED THAT registration of transfer shall however not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.

68. Notice of refusal to be given to transferor and transferee.

If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor or to the person giving intimation of the transmission, as the case may be, and there upon the provisions of Section 58 of the Act or any statutory modification thereof for the time being in force shall apply.

69. No fee on transfer.

No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and letter of administration, Certificate of Death or Marriage, Power of Attorney or similar other document with the Company.

70. Closure of Register of Members or debenture holder or other security holders

The Board of Directors shall have power on giving not less than seven days pervious notice in accordance with section 91 and rules made thereunder close the Register of Members and/or the Register of debentures holders and/or other security holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty five days at a time, and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.

71. Custody of transfer Deeds.

The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all the transfer deeds with the Company after such period as they may determine.

72. Application for transfer of partly paid shares.

Where an application of transfer relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.

73. Notice to transferee.

For this purpose the notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post/speed post/ courier to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.

74. Recognition of legal representative.

(a) On the death of a Member, the survivor or survivors, where the Member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only person recognized by the Company as having any title to his interest in the shares.

(b) Before recognising any executor or administrator or legal representative, the Board may require him to obtain a Grant of Probate or Letters Administration or other legal representation as the case may be, from some competent court in India.

Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or letter of Administration or such other legal representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider adequate

(c) Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

75. Titles of Shares of deceased Member

The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 72of the Companies Act.

76. Notice of application when to be given

Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.

77. Registration of persons entitled to share otherwise than by transfer. (transmission clause).

Subject to the provisions of the Act and these Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy, insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of this title as the Director shall require either be registered as member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as Member in respect of such shares; provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance so he shall not be freed from any liability in respect of such shares. This clause is hereinafter referred to as the 'Transmission Clause'.

78. Refusal to register nominee.

Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse or suspend register a person entitled by the transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.

79. Board may require evidence of transmission.

Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.

80. Company not liable for disregard of a notice prohibiting registration of transfer

The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made, or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register or Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or require to regard or attend or give effect to any notice which may be given to them of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.

81. Form of transfer Outside India.

In the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognized by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in Form no. SH-4 hereof as circumstances permit.

82. No transfer to insolvent etc.

No transfer shall be made to any minor, insolvent or person of unsound mind.

NOMINATION

83. Nomination

i) Notwithstanding anything contained in the articles, every holder of securities of the Company may, at any time, nominate a person in whom his/her securities shall vest in the event of his/her death and the provisions of Section 72 of the Companies Act, 2013shall apply in respect of such nomination.

ii) No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the securities of the Company in the manner specified under Section 72of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014

iii) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination.

iv) lf the holder(s) of the securities survive(s) nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked.

84. Transmission of Securities by nominee

A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-

(i) to be registered himself as holder of the security, as the case may be; or

(ii) to make such transfer of the security, as the case may be, as the deceased security holder, could have made;

(iii) if the nominee elects to be registered as holder of the security, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased security holder as the case may be;

(iv) a nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the security except that he shall not, before being registered as a member in respect of his security, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.

PROVIDED FURTHER THAT the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with.

DEMATERIALISATION OF SHARES

85. Dematerialisation of Securities

1) Notwithstanding anything contained herein, the Company shall be entitled to dematerialize its shares, debentures and other securities pursuant to the Depositories Act, 1996.

2) Every Person subscribing to the Shares offered by the Company shall have the option to receive Share certificates or to hold the Shares with a depository. Where Person opts to hold any Share with the depository, the Company shall intimate such depository of details of allotment of the Shares to enable the depository to enter in its records the name of such Person as the beneficial owner of such Shares. Such a Person who is the beneficial owner of the Shares can at any time opt out of a depository, if permitted by the Law, in respect of any Shares in the manner provided by the Depositories Act, 1996 and the regulations made thereunder and the Company shall in the manner and within the time prescribed, issue to the beneficial owner the required certificate of Shares. In the case of transfer of Shares or other marketable securities where the Company has not issued any certificates and where such Shares or securities are being held in an electronic and fungible form, the provisions of the Depositories Act shall apply.

3) If a Person opts to hold his Shares with a depository, the Company shall intimate such depository the details of allotment of the Shares, and on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the Shares.

4) Subject to the applicable provisions of the Act, either the Company or the investor may exercise an option to issue, deal in , hold the securities (including shares) with a depository in electronic form and the certificates in respect thereof shall be dematerialized, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereto shall be governed by the provisions of the Depositories Act, 1996 as amended from time to time or any statutory modification thereto or re-enactment thereof.

5) All Shares held by a depository shall be dematerialized and shall be in a fungible form.

6) Notwithstanding anything to the contrary contained in the Act or the Articles, a depository shall be deemed to be the registered owner for the purposes of effecting any transfer of ownership of Shares on behalf of the beneficial owner.

7) Save as otherwise provided in (6) above, the depository as the registered owner of the Shares shall not have any voting rights or any other rights in respect of Shares held by it.

8) Every person holding Shares of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be the owner of such Shares and shall also be deemed to be a Shareholder of the Company. The beneficial owner of the Shares shall be entitled to all the liabilities in respect of his Shares which are held by a depository. The Company shall be further entitled to maintain a register of Members with the details of Members holding Shares both in material and dematerialized form in any medium as permitted by Law including any form of electronic medium.

9) Notwithstanding anything in the Act or the Articles to the contrary, where Shares are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of disks, drives or any other mode as prescribed by Law from time to time.

10) Nothing contained in the Act or the Articles regarding the necessity to have distinctive numbers for securities issued by the Company shall apply to securities held with a depository.

11) The Company shall cause to be kept a register and index of members in accordance with all applicable provisions of the Act and the Depositories Act, 1996, containing details of shares and

debentures held in materialized and dematerialized forms in any media as may be permitted by law(s) including any form of electronic media.

12) The Company shall have the power to keep in any state or country outside India a branch register resident in that state or country.

JOINT HOLDER

86. Joint Holders

Where two or more persons are registered as the holders of any share, they shall be deemed to hold the same as joint Shareholders with benefits of survivorship subject to the following and other provisions contained in these Articles.

87. Joint and several liabilities for all payments in respect of shares.

(a) The Joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.

Title of survivors.

(b) on the death of any such joint holders the survivor or survivors shall be the only person recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability of shares held by them jointly with any other person;

Receipts of one sufficient.

(c) Any one of two or more joint holders of a share may give effectual receipts of any dividends or other moneys payable in respect of share; and

Delivery of certificate and giving of notices to first named holders.

(d) only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any such document served on or sent to such person shall deemed to be service on all the holders.

SHARE WARRANTS

88. Power to issue share warrants

The Company may issue warrants subject to and in accordance with provisions of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons registered as holder of the Share, and authenticated by such evidence(if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.

89. Deposit of share warrants

(a) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for call in a meeting of the Company, and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant.

(b) Not more than one person shall be recognized as depositor of the Share warrant.

(c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor.

90. Privileges and disabilities of the holders of share warrant

(a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company.

(b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company.

91. Issue of new share warrant coupons

The Board may, from time to time, make bye-laws as to terms on which (if it shall think fit), a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

CONVERSION OF SHARES INTO STOCK

92. Conversion of shares into stock or reconversion.

The Company may, by ordinary resolution in General Meeting.

a) convert any fully paid-up shares into stock; and

b) re-convert any stock into fully paid-up shares of any denomination.

93. Transfer of stock.

The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulation under which the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit, provided that, the Board may, from time to time, fix the minimum amount of stock transferable so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

94. Rights of stock holders.

The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as if they hold the shares for which the stock arose but no such privilege or advantage shall be conferred by an amount of stock which would not, if existing in shares , have conferred that privilege or advantage.

95. Regulations.

Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid up share shall apply to stock and the words "share" and "shareholders" in those regulations shall include "stock" and "stockholders" respectively.

BORROWING POWERS

96. Power to borrow.

Subject to the provisions of the Act and these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board generally raise or borrow money by way of deposits, loans, overdrafts, cash credit or by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner, or from any person, firm, company, co-operative society, any body corporate, bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) shall not without the consent of the Company in General Meeting exceed the aggregate of the paid up capital of the Company and its free reserves that is to say reserves not set apart for any specified purpose.

97. Issue of premium etc. or with special privileges.

Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or any other securities may be issued at a premium or otherwise and with any special privileges and conditions as to redemption, surrender, allotment of shares, appointment of Directors or otherwise; provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.

98. Securing payment or repayment of Moneys borrowed.

The payment and/or repayment of moneys borrowed or raised as aforesaid or any moneys owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by mortgage, charter, lien or any other security upon all or any of the assets or property (both present and future) or the undertaking of the Company including its uncalled capital for the time being, or by a guarantee by any Director, Government or third party, and the bonds, debentures and debenture stocks and other securities may be made assignable, free from equities between the Company and the person to whom the same may be issued and also by a similar mortgage, charge or lien to secure and guarantee, the performance by the Company or any other person or company of any obligation undertaken by the Company or any person or Company as the case may be.

99. Bonds, Debentures etc. to be under the control of the Directors.

Any bonds, debentures, debenture-stock or their securities issued or to be issued by the Company shall be under the control of the Board who may issue them upon such terms and conditions, and in such manner and for such consideration as they shall consider to be for the benefit of the Company.

100. Mortgage of uncalled Capital.

If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.

101. Indemnity may be given.

Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surely for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.

MEETINGS OF MEMBERS

102. Distinction between AGM & EGM.

All the General Meetings of the Company other than Annual General Meetings shall be called Extra-ordinary General Meetings.

103. Extra-Ordinary General Meeting by Board and by requisition

(a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of the members.

Proceedings at General Meeting

(b) No business shall be transacted at any general meeting unless quorum of members, as stipulated under the provisions of the Act, is present at the time when the meeting proceeds to business.

(c) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103 of the Act.

When a Director or any two Members may call an Extra Ordinary General Meeting

(d) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.

104. Meeting not to transact business not mentioned in notice.

No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened.

105. Chairman of General Meeting

The Chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board of Directors, or if at any meeting he is not present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the chair, then the Vice Chairman of the Company so shall take the chair and preside the meeting. In the absence of the Vice Chairman as well, the Directors present may choose one of the Directors among themselves to preside the meeting.

106. Business confined to election of Chairman or Vice Chairman whilst chair is vacant.

No business, except the election of a Chairman or Vice Chairman, shall be discussed at any General Meeting whilst the Chair is vacant.

107. Chairman with consent may adjourn meeting.

a) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

b) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

c) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

d) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

108. Chairman's casting vote.

In the case of an equality of votes the Chairman shall both on a show of hands, on a poll (if any) and e-voting, have casting vote in addition to the vote or votes to which he may be entitled as a Member.

109. In what case poll taken without adjournment.

Any poll duly demanded on the election of Chairman or Vice Chairman of the meeting or any question of adjournment shall be taken at the meeting forthwith.

110. Demand for poll not to prevent transaction of other business.

The demand for a poll except on the question of the election of the Chairman or Vice Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

VOTES OF MEMBERS

111. Members in arrears not to vote.

No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands, upon a poll or electronically, or be reckoned in a quorum in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised, any right or lien.

112. Number of votes each member entitled.

Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company, Provided, however, if any preference shareholder is present at any meeting of the Company, save as provided in sub-section (2) of Section 47 of the Act, he shall have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his preference shares.

113. Casting of votes by a member entitled to more than one vote.

On a poll taken at a meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.

114. Vote of member of unsound mind and of minor

A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, or a minor may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

115. Postal Ballot

Notwithstanding anything contained in the provisions of the Companies Act, 2013, and the Rules made there under, the Company may, and in the case of resolutions relating to such business as may be prescribed by such authorities from time to time, declare to be conducted only by postal ballot, shall, get any such business/ resolutions passed by means of postal ballot, instead of transacting the business in the General Meeting of the Company.

116. E-Voting

A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

117. Votes of joint members.

a) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. If more than one of the said persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joints holders thereof.

b) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

118. Votes may be given by proxy or by representative

Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly Authorised as mentioned in Articles.

119. Representation of a body corporate.

A body corporate (whether a company within the meaning of the Act or not) may, if it is member or creditor of the Company (including being a holder of debentures) authorise such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the members or creditors of the Company or debentures holders of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate as if it were an individual member, creditor or holder of debentures of the Company.

120. Members paying money in advance.

(a) A member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys paid until the same would, but for this payment, become presently payable.

Members not prohibited if share not held for any specified period.

(b) A member is not prohibited from exercising his voting rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken.

121. Votes in respect of shares of deceased or insolvent members.

Any person entitled under Article 77 (transmission clause) shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.

122. No votes by proxy on show of hands.

No Member shall be entitled to vote on a show of hands unless such member is present personally or by attorney or is a body Corporate present by a representative duly Authorised under the provisions of the Act in which case such members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such Body Corporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment.

123. Appointment of a Proxy.

The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

124. Form of proxy.

An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

125. Validity of votes given by proxy notwithstanding death of a member.

A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting or adjourned meeting at which the proxy is used.

126. Time for objections to votes.

No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

127. Chairperson of the Meeting to be the judge of validity of any vote.

Any such objection raised to the qualification of any voter in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

DIRECTORS

128. Number of Directors

Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (including Debenture and Alternate Directors) shall not be less than three and not more than fifteen. Provided that a company may appoint more than fifteen directors after passing a special resolution. The Company shall have such number of Independent Directors on the Board of the Company, as may be required in terms of the provisions of applicable Law. Further, such appointment of such Independent Directors shall be in terms of, and subject to, the aforesaid provisions of applicable Law.

129. Qualification shares.

A Director of the Company shall not be bound to hold any Qualification Shares in the Company.

130. Nominee Directors.

(a) Subject to the provisions of the Companies Act, 2013 and notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to the financing company or body or financing corporation or credit corporation or bank or any insurance corporation (each such financing company or body or financing corporation or credit corporation or bank or any insurance corporation is hereinafter referred to as financial institution) out of any loans granted by the financial institution to the Company or so long as the financial institution hold Shares in the Company as a result of underwriting or direct subscription or so long as any liability of the Company arising out of any guarantee furnished by the financial institution on behalf of the Company remains outstanding, the Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement.

(b) The Nominee Director/s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by rotation. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s so appointed. The said Nominee Director/s shall be entitled to the same rights and privileges including receiving of notices, copies of the minutes, sitting fees, etc. as any other Director of the Company is entitled.

(c) If the Nominee Director/s is an officer of any of the financial institution the sitting fees in relation to such nominee Directors shall accrue to such financial institution and the same accordingly be paid by the Company to them. The Financial Institution shall be entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board.

131. Appointment of alternate Director.

The Board may appoint an Alternate Director to act for a Director (hereinafter called "The Original Director") during his absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of Office of the Original Director is determined before he so returns to India, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.

132. Additional Director

Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director. Any such Additional Director shall hold office only upto the date of the next Annual General Meeting.

133. Directors power to fill casual vacancies.

Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director, if the office of any director appointed by the company in general meeting is vacated before his term of office expires in the normal course, who shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him.

134. Sitting Fees.

Until otherwise determined by the Company in General Meeting, each Director other than the Managing/Whole-time Director (unless otherwise specifically provided for) shall be entitled to sitting fees not exceeding a sum prescribed in the Act (as may be amended from time to time) for attending meetings of the Board or Committees thereof.

135. Travelling expenses Incurred by Director on Company's business.

The Board of Directors may subject to the limitations provided in the Act allow and pay to any Director who attends a meeting at a place other than his usual place of residence for the purpose of attending a meeting, such sum as the Board may consider fair, compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified.

PROCEEDINGS` OF THE BOARD OF DIRECTORS

136. Meetings of Directors.

(a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit.

(b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

Quorum

No business shall be transacted at any Board meeting unless quorum of Directors, as stipulated under the provisions of the Act, is present at the time when the meeting proceeds to business

137. Chairman and Vice Chairman

a) The Directors may from time to time elect from among their members a Chairperson of the Board as well as a Vice Chairman of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman is not present within five minutes after the time appointed for holding the same, to the Vice Chairman shall preside at the meeting and in the absence of the Vice Chairman as well, the Directors present may choose one of the Directors among themselves to preside the meeting.

b) Subject to Section 203 of the Act and rules made there under, one person can act as the Chairman as well as the Managing Director or Chief Executive Officer at the same time.

138. Questions at Board meeting how decided.

Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairman or the Vice Chairman, as the case may be will have a second or casting vote.

139. Continuing directors may act notwithstanding any vacancy in the Board

The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.

140. Directors may appoint committee.

Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee either wholly or in part and either as to person, or purposes, but every Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee in conformity with such regulations and in fulfilment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.

141. Committee Meetings how to be governed.

The Meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.

142. Chairperson of Committee Meetings

a) A committee may elect a Chairperson of its meetings.

b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

143. Meetings of the Committee

a) A committee may meet and adjourn as it thinks fit.

b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

144. Acts of Board or Committee shall be valid notwithstanding defect in appointment.

Subject to the provisions of the Act, all acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director.

145. Power to fill casual vacancy

Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.

POWERS OF THE BOARD

146. Powers of the Board

The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as may be necessary, unless otherwise restricted by the Act, or by any other law or by the Memorandum or by the Articles required to be exercised by the Company in General Meeting. However, no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

147. Certain powers of the Board

Without prejudice to the general powers conferred by the Articles and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the Articles, it is hereby, declared that the Directors shall have the following powers, that is to say

To acquire any property , rights etc.

(1) Subject to the provisions of the Act, to purchase or otherwise acquire any lands, buildings, machinery, premises, property, effects, assets, rights, creditors, royalties, business and goodwill of any person firm or company carrying on the business which this Company is authorised to carry on, in any part of India.

To take on Lease.

(2) Subject to the provisions of the Act to purchase, take on lease for any term or terms of years, or otherwise acquire any land or lands, with or without buildings and out-houses thereon, situate in any part of India, at such conditions as the Directors may think fit, and in any such purchase, lease or acquisition to accept such title as the Directors may believe, or may be advised to be reasonably satisfy.

To erect & construct.

(3) To erect and construct, on the said land or lands, buildings, houses, warehouses and sheds and to alter, extend and improve the same, to let or lease the property of the company, in part or in whole for such rent and subject to such conditions, as may be thought advisable; to sell such portions of the land or buildings of the Company as may not be required for the company; to mortgage the whole or any portion of the property of the company for the purposes of the Company; to sell all or any portion of the machinery or stores belonging to the Company.

To pay for property.

(4) At their discretion and subject to the provisions of the Act, the Directors may pay property rights or privileges acquired by, or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such share may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.

To insure properties of the Company.

(5) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce

and other moveable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.

To open Bank accounts.

(6) To open accounts with any Bank or Bankers and to pay money into and draw money from any such account from time to time as the Directors may think fit.

To secure contracts by way of mortgage.

(7) To secure the fulfilment of any contracts or engagement entered into by the Company by mortgage or charge on all or any of the property of the Company including its whole or part of its undertaking as a going concern and its uncalled capital for the time being or in such manner as they think fit.

To accept surrender of shares.

(8) To accept from any member, so far as may be permissible by law, a surrender of the shares or any part thereof, on such terms and conditions as shall be agreed upon.

To appoint trustees for the Company.

(9) To appoint any person to accept and hold in trust, for the Company property belonging to the Company, or in which it is interested or for any other purposes and to execute and to do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.

To conduct legal proceedings.

(10) To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its Officer, or otherwise concerning the affairs and also to compound and allow time for payment or satisfaction of any debts, due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian or Foreign law and either in India or abroad and observe and perform or challenge any award thereon.

Bankruptcy & Insolvency

(11) To act on behalf of the Company in all matters relating to bankruptcy insolvency.

To issue receipts & give discharge.

(12) To make and give receipts, release and give discharge for moneys payable to the Company and for the claims and demands of the Company.

To invest and deal with money of the Company.

(13) Subject to the provisions of the Act, and these Articles to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such authority (not being the shares of this Company) or without security and in such manner as they may think fit and from time to time to vary or realise such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.

To give Security by way of indemnity.

(14) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or as surety, for the benefit of the Company, such mortgage of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and

agreements as shall be agreed upon;

To determine signing powers.

(15) To determine from time to time persons who shall be entitled to sign on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose, whether by way of a resolution of the Board or by way of a power of attorney or otherwise.

Commission or share in profits.

(16) To give to any Director, Officer, or other persons employed by the Company, a commission on the profits of any particular business or transaction, or a share in the general profits of the company; and such commission or share of profits shall be treated as part of the working expenses of the Company.

Bonus etc. to employees.

(17) To give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company, or his widow, children, dependents, that may appear just or proper, whether such employee, his widow, children or dependents have or have not a legal claim on the Company.

Transfer to Reserve Funds.

(18) To set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation funds or to insurance fund or to an export fund, or to a Reserve Fund, or Sinking Fund or any special fund to meet contingencies or repay debentures or debenture-stock or for equalizing dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for such other purposes (including the purpose referred to in the preceding clause) as the Board may, in the absolute discretion think conducive to the interests of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as may be required to be invested, upon such investments (other than shares of this Company) as they may think fit and from time to time deal with and vary such investments and dispose of and apply and extend all or any part thereof for the benefit of the Company notwithstanding the matters to which the Board apply or upon which the capital moneys of the Company might rightly be applied or expended and divide the reserve fund into such special funds as the Board may think fit; with full powers to transfer the whole or any portion of a reserve fund or division of a reserve fund to another fund and with the full power to employ the assets constituting all or any of the above funds, including the depredation fund, in the business of the company or in the purchase or repayment of debentures or debenture-stocks and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with the power to the Board at their discretion to pay or allow to the credit of such funds, interest at such rate as the Board may think proper.

To appoint and remove officers and other employees.

(19) To appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants, for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and to fix their salaries or emoluments or remuneration and to require security in such instances and for such amounts they may think fit and also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit and the provisions contained in the next following clauses shall be without prejudice to the general powers conferred by this clause.

To appoint Attorneys.

(20) At any time and from time to time by power of attorney, to appoint any person or persons to be the Attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorised by the Board

the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and such appointments may (if the Board think fit) be made in favour of the members or any of the members of any local Board established as aforesaid or in favour of any Company, or the shareholders, directors, nominees or manager of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such powers of attorney may contain such powers for the protection or convenience for dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated Attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.

To enter into contracts.

(21) Subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.

To make rules.

(22) From time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and employees.

To effect contracts etc.

(23) To effect, make and enter into on behalf of the Company all transactions, agreements and other contracts within the scope of the business of the Company.

To apply & obtain concessions licenses etc.

(24) To apply for, promote and obtain any act, charter, privilege, concession, license, authorization, if any, Government, State or municipality, provisional order or license of any authority for enabling the Company to carry any of this objects into effect, or for extending and any of the powers of the Company or for effecting any modification of the Company's constitution, or for any other purpose, which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests.

To pay commissions or interest.

(25) To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of Sections 40 of the Act and of the provisions contained in these presents.

To redeem preference shares.

(26) To redeem preference shares.

To assist charitable or benevolent institutions.

(27) To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or subjects which shall have any moral or other claim to support or aid by the Company, either by reason of locality or operation or of public and general utility or otherwise.

(28) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.

(29) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 40 of the Act.

(30) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the

Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 181 of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.

(31) To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how.

(32) To sell from time to time any Articles, materials, machinery, plants, stores and other Articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products.

(33) From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient.

(34) To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate.

(35) To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested.

(36) To let, sell or otherwise dispose of subject to the provisions of Section 180 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit.

(37) Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.

(38) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.

MANAGING AND WHOLE-TIME DIRECTORS

148. Powers to appoint Managing/ Wholetime Directors.

a) Subject to the provisions of the Act and of these Articles, the Directors may from time to time in Board Meetings appoint one or more of their body to be a Managing Director or Managing Directors or whole-time Director or whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company, and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.

b) The Managing Director or Managing Directors or whole-time Director or whole-time Directors so appointed shall be liable to retire by rotation. A Managing Director or Whole-time Director who is appointed as Director immediately on the retirement by rotation shall continue to hold his office as

Managing Director or Whole-time Director and such re-appointment as such Director shall not be deemed to constitute a break in his appointment as Managing Director or Whole-time Director.

149. Remuneration of Managing or Wholetime Director.

The remuneration of a Managing Director or a Whole-time Director (subject to the provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the Directors, and may be, by way of fixed salary, or commission on profits of the Company, or by participation in any such profits, or by any, or all of these modes.

150. Powers and duties of Managing Director or Whole-time Director.

(1) Subject to control, direction and supervision of the Board of Directors, the day-today management of the company will be in the hands of the Managing Director or Whole-time Director appointed in accordance with regulations of these Articles of Association with powers to the Directors to distribute such day-to-day management functions among such Directors and in any manner as may be directed by the Board.

(2) The Directors may from time to time entrust to and confer upon the Managing Director or Whole-time Director for the time being save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient; and they may subject to the provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion of, and in substitution for, all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any such powers.

(3) The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Wholetime Director or Wholetime Directors of the Company and may exercise all the powers referred to in these Articles.

(4) The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit.

(5) Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.

CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER

151. Board to appoint Chief Executive Officer/ Manager/ Company Secretary/ Chief Financial Officer

a) Subject to the provisions of the Act,—

i. A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may thinks fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;

ii. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

b) A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

DIVIDEND AND RESERVES

152.Division of profits.

(1) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.

(2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

(3) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

153. 153. The company in General Meeting may declare Dividends.

The Company in General Meeting may declare dividends, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting.

154. 154. Transfer to reserves

a) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.

b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

155. 155. Interim Dividend.

Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

156. 156. Debts may be deducted.

The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

157. 157. Capital paid up in advance not to earn dividend.

No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this articles as paid on the share.

158. 158. Dividends in proportion to amount paid-up.

All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date such share shall rank for dividend accordingly.

159. 159. Retention of dividends until completion of transfer under Articles.

The Board of Directors may retain the dividend payable upon shares in respect of which any person under Articles has become entitled to be a member, or any person under that Article is entitled to transfer, until such person becomes a member, in respect of such shares or shall duly transfer the same.

160. 160. No Member to receive dividend whilst indebted to the company and the Company's right of reimbursement thereof.

No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares (or otherwise however, either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend payable to any member all such sums of money so due from him to the Company.

161. 161. Effect of transfer of shares.

A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.

162. 162. Dividend to joint holders.

Any one of several persons who are registered as joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such share.

163. 163. Dividends how remitted.

a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

164. 164. Notice of dividend.

Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

165. No interest on Dividends.

No unclaimed dividend shall be forfeited before the claim becomes barred by law and no unpaid dividend shall bear interest as against the Company.

166. Unpaid or unclaimed dividend

a) The Company shall comply with the provisions of the Act in respect of any dividend remaining unpaid or unclaimed with the Company. If the Company has declared a Dividend but which has not been paid or the Dividend warrant in respect thereof has not been posted or sent within 30 (thirty) days from the date of declaration, the Company shall, within 7 (seven) days from the date of expiry of the said period of 30 (thirty) days, transfer the total amount of dividend, which remained so unpaid or unclaimed to a special account to be opened by the Company in that behalf in any scheduled bank to be called "Unpaid Dividend Account".

b) Any money so transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer, shall be transferred by the Company to the Fund established under sub-section (1) of Section 125 of the Act, viz. "Investor

Education and Protection Fund".

c) Further, there shall be no forfeiture of unclaimed dividends before the claim becomes barred by law.

CAPITALIZATION

167. Capitalization.

(1) The Company in General Meeting may, upon the recommendation of the Board, resolve:

(a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the Profit and Loss account, or otherwise available for distribution; and

(b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(2) The sums aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in clause (3) either in or towards:

(i) paying up any amounts for the time being unpaid on any shares held by such members respectively;

(ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or

(iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).

(3) A Securities Premium Account and Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company and fully paid bonus shares.

(4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.

168. Fractional Certificates.

(1) Whenever such a resolution as aforesaid shall have been passed, the Board shall —

(a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid shares, if any, and

(b) generally to do all acts and things required to give effect thereto.

(2) The Board shall have full power -

(a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in case of shares becoming distributable in fractions; and also

(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalization, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares.

(3) Any agreement made under such authority shall be effective and binding on all such members.

(4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any questions or difficulties

that may arise in regard to any issue including distribution of new equity shares and fractional certificates as they think fit.

169. Inspection of Minutes Books of General Meetings.

(1) The books containing the minutes of the proceedings of any General Meetings of the Company shall be open to inspection of members without charge on such days and during such business hours as may consistently with the provisions of Section 119 of the Act be determined by the Company in General Meeting and the members will also be entitled to be furnished with copies thereof on payment of regulated charges.

(2) Any member of the Company shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to in sub-clause (1) hereof on payment of Rs. 10 per page or any part thereof.

170. Inspection of Accounts

a) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.

b) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

FOREIGN REGISTER

171. Foreign Register.

The Company may exercise the powers conferred on it by the provisions of the Act with regard to the keeping of Foreign Register of its Members or Debenture holders, and the Board may, subject to the provisions of the Act, make and vary such regulations as it may think fit in regard to the keeping of any such Registers.

DOCUMENTS AND SERVICE OF NOTICES

172. Signing of documents & notices to be served or given.

Any document or notice to be served or given by the Company be signed by a Director or such person duly authorised by the Board for such purpose and the signature may be written or printed or lithographed.

173. Authentication of documents and proceedings.

Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the company may be signed by a Director, the Manager, or Secretary or other Authorised Officer of the Company and need not be under the Common Seal of the Company.

WINDING UP

174. Subject to the provisions of Chapter XX of the Act and rules made thereunder—

(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

INDEMNITY

175. Directors' and others right to indemnity.

Subject to provisions of the Act, every Director, or Officer or Servant of the Company or any person (whether an Officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors to pay, out of the funds of the Company, all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Officer or Auditor or other officer of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favor, or in which he is acquitted or in connection with any application under Section 463 of the Act on which relief is granted to him by the Court.

176. Not responsible for acts of others

Subject to the provisions of the Act, no Director, Managing Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Directors or Officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.

SECRECY

177. Secrecy

(a) Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the company shall, if so required by the Directors, before entering upon his duties, sign a declaration pleading himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matter which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.

Access to property information etc.

(b) No member or other person (other than a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties or the books of accounts of the Company without the permission of the Board of Directors of the Company for the time being or to require discovery of or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to disclose or to communicate.

PART B

Part B of the Articles of Association provide for, among other things, the rights of certain shareholders pursuant to the Shareholders' Agreement. For more details on the Shareholders' Agreement, see "*History and Certain Corporate Matters –Details of shareholders' agreements*" on page 238.

SECTION XI - OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and subsisting contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company), which are or may be deemed material will be attached to the copy of the Red Herring Prospectus and the Prospectus which will be filed with the RoC. Copies of the abovementioned documents and contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered and Corporate Office between 10 a.m. and 5 p.m. on all Working Days and will also be available at the website of our Company at www.Uds.in from the date of the Red Herring Prospectus until the Bid / Offer Closing Date.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law.

A. Material contracts for the Offer

1. Offer Agreement dated March 29, 2023 entered into between our Company, the Selling Shareholders and the Book Running Lead Managers.

2. Registrar Agreement dated March 29, 2023 entered into between our Company, the Selling Shareholders and the Registrar to the Offer.

3. Cash Escrow and Sponsor Banks Agreement dated [●] entered into between our Company, the Selling Shareholders, the Registrar to the Offer, the Book Running Lead Managers, Syndicate Members and the Banker(s) to the Offer.

4. Share Escrow Agreement dated [●] entered into between the Selling Shareholders, our Company and the Share Escrow Agent.

5. Syndicate Agreement dated [●] entered into between our Company, the Selling Shareholders, the Book Running Lead Managers and the Syndicate Members.

6. Underwriting Agreement dated [●] entered into between our Company, the Selling Shareholders, and the Underwriters.

7. Monitoring Agency Agreement dated [●] entered into between our Company and the Monitoring Agency.

B. Material documents

1. Certified copies of the Memorandum of Association and Articles of Association of our Company as amended from time to time.

2. Certificate of incorporation dated November 13, 2003.

3. Fresh certificate of incorporation consequent upon conversion to public limited company dated March 24, 2022.

4. Resolution of the Board of Directors dated March 21, 2023 in relation to the Offer and other related matters.

5. Resolution of the Shareholders of our Company dated March 22, 2023 approving the Fresh Issue.

6. Resolution of the Board of Directors of our Company dated March 29, 2023 approving this Draft Red Herring Prospectus.

7. Resolution of the Board of Directors of our Company dated March 21, 2023 approving the projected working capital requirements for the Financial Years ended March 31, 2023, March 31, 2024 and March 31, 2025.

8. Consent letters, dated March 21, 2023, March 21, 2023 and February 14, 2023 from Tangi Facility Solutions Private Limited, India Business Excellence Fund – II and India Business Excellence Fund – IIA, respectively, as Selling Shareholders in relation to the Offer for Sale.

9. Consent dated March 27, 2023 from Frost & Sullivan to rely on and reproduce part or whole of the report, "*Assessment of Integrated Facilities Management Market in India*" and include their name in this Draft Red Herring Prospectus.

10. Certificate dated March 29, 2023 from Lodha & Co regarding key performance indicators.

11. Industry report titled "*Assessment of Integrated Facilities Management Market in India*" dated March 27, 2023 prepared by Frost & Sullivan.

12. Our Company has received written consent dated March 29, 2023 from S. R. Batliboi & Associates LLP, to include their name as required under section 26(1) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report, dated March 25, 2023 on our Restated Consolidated Financial Information; and (ii) report dated March 29, 2023 on the Statement of Special Tax Benefits in this Draft Red Herring Prospectus, and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

13. Written consent dated March 29, 2023, from Lodha & Co, Chartered Accountants, to include their name in this Draft Red Herring Prospectus and as an "expert" as defined under Section 2(38) of the Companies Act, 2013, in respect of certain certifications issued by them in their capacity as an independent chartered accountants appointed by our Company.

14. The Investment Agreement dated January 19, 2017, among India Business Excellence Fund – II, India Business Excellence Fund – IIA, Raghunandana Tangirala, Shanthi Tangirala, Tangi Facility Solutions Private Limited and our Company.

15. Amendment to the Investment Agreement dated March 27, 2023 entered into between the Company, the Promoters and the Selling Shareholders.

16. Copies of annual reports of our Company for the three Financial Years ended March 31, 2020, March 31, 2021 and March 31, 2022.

17. Copies of the ESOP Schemes.

18. Consent of our Directors, Selling Shareholders, BRLMs, Syndicate Members, the legal counsel to the Company, the legal counsel to the Book Running Lead Managers, legal counsel to the Selling Shareholders, Registrar to the Offer, the Independent Chartered Accountant, Banker(s) to the Offer, Bankers to our Company, Company Secretary and Compliance Officer, Chief Financial Officer, Monitoring Agency as referred to in their specific capacities.

19. Tripartite agreement dated August 5, 2022, among our Company, NSDL and the Registrar to the Offer.

20. Tripartite agreement dated August 5, 2022, among our Company, CDSL and the Registrar to the Offer.

21. Due diligence certificate dated March 29, 2023 addressed to SEBI from the BRLMs.

22. In-principle listing approvals dated [●] and [●] issued by BSE and NSE, respectively.

23. SEBI observation letter dated [●].

24. The agreement dated December 23, 2020 entered into between our Company and Raghunandana Tangirala, the agreement dated July 30, 2022 entered into between the our Company and Pondicherry Chidambram Balasubramanian, and the agreement dated March 4, 2023 entered into between our Company and Amitabh Jaipuria.

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines or regulations issued by the Government of India and the rules, guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act, each as amended or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Raghunandana Tangirala
(Chairman and Managing Director)

Place: Chennai

Date: March 29, 2023

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines or regulations issued by the Government of India and the rules, guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act, each as amended or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Amitabh Jaipuria
(Additional Director (Executive Director))

Place: Chennai

Date: March 29, 2023

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines or regulations issued by the Government of India and the rules, guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act, each as amended or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Amit Choudhary
(Independent Director)

Place: Jaipur

Date: March 29, 2023

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines or regulations issued by the Government of India and the rules, guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act, each as amended or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Pondicherry Chidambaram Balasubramanian
(Executive Director (Whole-Time Director))

Place: Chennai

Date: March 29, 2023

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines or regulations issued by the Government of India and the rules, guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act, each as amended or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sunil Rewachand Chandiramani
(Independent Director)

Place: Gurgaon

Date: March 29, 2023

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines or regulations issued by the Government of India and the rules, guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act, each as amended or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sangeeta Sumesh
(Independent Director)

Place: Chennai

Date: March 29, 2023

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines or regulations issued by the Government of India and the rules, guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act, each as amended or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

Balaji Swaminathan
Chief Financial Officer

Place: Chennai

Date: March 29, 2023

DECLARATION

India Business Excellence Fund – II hereby confirms that all statements and undertakings specifically made or confirmed by it in this Draft Red Herring Prospectus in relation to itself, as an Investor Selling Shareholder and its respective portion of the Offered Shares, are true and correct. India Business Excellence Fund – II assumes no responsibility, for any other statements, including any and all statements made or confirmed by, about or relating to, the Company, its business, the other Selling Shareholders or any other person(s) in this Draft Red Herring Prospectus.

For and on behalf of **India Business Excellence Fund – II**

Name: Vishal Tulsyan

Designation: Managing Director & CEO

Place: Mumbai

Date: March 29, 2023

Name: Bharat Kedia

Designation: Chief Operating Officer

Place: Mumbai

Date: March 29, 2023

DECLARATION

India Business Excellence Fund – IIA hereby confirms that all statements and undertakings specifically made or confirmed by it in this Draft Red Herring Prospectus in relation to itself, as an Investor Selling Shareholder and its respective portion of the Offered Shares, are true and correct. India Business Excellence Fund – IIA assumes no responsibility, for any other statements, including any and all statements made or confirmed by, about or relating to, the Company, its business, the other Selling Shareholders or any other person(s) in this Draft Red Herring Prospectus.

For and on behalf of **India Business Excellence Fund – IIA**

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Name: Jihane Muhamodsaroar

Designation: Director

Place: Mauritius

Date: March 29, 2023

DECLARATION

Tangi Facility Solutions Private Limited hereby confirms that all statements and undertakings specifically made or confirmed by it in this Draft Red Herring Prospectus in relation to itself, as a Promoter Group Selling Shareholder and its respective portion of the Offered Shares, are true and correct. Tangi Facility Solutions Private Limited assumes no responsibility, for any other statements, including any and all statements made or confirmed by, about or relating to, the Company, its business, the other Selling Shareholders or any other person(s) in this Draft Red Herring Prospectus.

For and on behalf of **Tangi Facility Solutions Private Limited**

Name: L. B. Jayaram

Designation: Director

Place: Chennai

Date: March 29, 2023